Deloitte Haskins & Sells LLP

Chartered Accountants
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INDEPENDENT AUDITOR'S REPORT
To The Members of NINA WATERPROOFING SYSTEMS PRIVATE LIMITED
Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of NINA WATERPROOFING SYSTEMS PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2017, and 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.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

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

Other Matters

The comparative financial information of the Company for the transition date opening balance sheet as at 1st April 2015 included in these Ind AS financial statements, are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2015 dated May 15, 2015 expressed an unmodified opinion on those financial statements, and have been restated to comply with Ind AS Adjustments made to the previously issued said financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS have been audited by us.

Our opinion on the financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, referred to in the Other Matters paragraph above we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 and the reports of the other auditors.

   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 Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

   e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations which would impact its financial position.

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ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The Company has provided requisite disclosures in the Ind AS financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm Registration No. 117366W/W-100018)

N. K. Jain
Partner
(Membership No.045474)

Place: Mumbai
Date: May 4, 2017

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

To The Members of NINA WATERPROOFING SYSTEMS PRIVATE LIMITED For The Year Ended MARCH 31, 2017

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 **Nina Waterproofing Systems Private Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm Registration No. 117366W/W-100018)

N. K. Jain
Partner
(Membership No.045474)

Place: Mumbai
Date: May 4, 2017

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ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

To The Members of NINA WATERPROOFING SYSTEMS PRIVATE LIMITED For The Year Ended MARCH 31, 2017

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Some of the fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.

(c) The Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the CARO 2016 is not applicable.

(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) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year to which the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 apply.

(vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the Order is not applicable.

(vii) According to the information and explanations 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, Sales Tax, Service Tax, Customs Duty, Value Added Tax, 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, Sales Tax, Service Tax, Customs Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.

(c) There are no dues of Income-tax, Sales Tax, Service Tax, Customs Duty and Value Added Tax as on March 31, 2017 on account of disputes.

(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. The Company has not accepted any loans or borrowings from financial institutions and government and has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no 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 177 and 188 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 etc. 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 and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(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 holding company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm Registration No. 117366W/W-100018)

N. K. Jain
Partner
(Membership No.045474)

Place: Mumbai
Date: May 4, 2017

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NINA WATERPROOFING SYSTEMS PVT LTD
Balance Sheet as at March 31, 2017

(Rs in Lakhs.)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
ASSETS				
1. Non-Current Assets				
(a) Property, Plant and Equipment	3	**399.62**	276.26	0.10
(b) Goodwill	4	**512.60**	512.60	-
(c) Other Intangible Assets	5	**2,712.74**	2,718.35	-
(d) Financial Assets				
(i) Investments	6	**1,348.52**	1,195.51	-
(ii) Other financial assets	7	**1,377.05**	793.20	-
(e) Current Tax Assets (Net)	8	**42.68**	41.27	-
(f) Other Non Current Assets	9	**15.47**	1.98	-
Total Non Current Assets		**6,408.68**	5,539.17	0.10
2. Current Assets				
(a) Inventories	10	**2,647.90**	2,059.14	-
(b) Financial Assets				
(i) Trade Receivables	11	**5,675.65**	5,191.82	-
(ii) Cash and Cash Equivalents	12	**69.49**	89.03	31.03
(iii) Other financial assets	13	**3,612.45**	2,764.58	-
(c) Other Current Assets	14	**106.52**	300.94	14.66
Total Current Assets		**12,112.01**	10,405.51	45.69
TOTAL ASSETS		**18,520.69**	15,944.68	45.79
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share Capital	15	**100.00**	100.00	33.33
(b) Other Equity	16	**10,350.14**	9,752.73	(3.21)
Total Equity		**10,450.14**	9,852.73	30.12
LIABILITIES				
1. Non-Current Liabilities				
(a) Financial Liabilities				
(i) Other financial liabilities	17	**197.18**	81.31	-
(b) Provisions	18	**142.91**	109.47	-
(c) Deferred Tax Liabilities (net)	19	**360.16**	214.68	-
Total Non-Current Liabilities		**700.25**	405.46	-
2. Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	20	**1,184.24**	211.79	-
(ii) Trade Payables	21	**3,684.07**	2,433.13	0.37
(iii) Other financial liabilities	22	**1,081.29**	1,201.27	15.30
(b) Provisions	23	**110.37**	69.50	-
(c) Other Current Liabilities	24	**1,310.33**	1,770.80	-
Total Current Liabilities		**7,370.30**	5,686.49	15.67
TOTAL LIABILITIES		**8,070.55**	6,091.95	15.67
TOTAL EQUITY AND LIABILITIES		**18,520.69**	15,944.68	45.79

See accompanying notes to the financial statements 1 - 58

In terms of our Report attached
FOR DELOITTE HASKINS & SELLS LLP
Chartered Accountants

DELOITTE HASKINS & SELLS LLP MUMBAI

N. K. JAIN
Partner

Place: Mumbai
Date : May 4, 2017

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Mehul Parikh
Managing Director

Sanjay Bahadur
Director

V. K. Sangoi.
Vivek Sangoi
Head Finance & Accounts

Place: Mumbai
Date : May 4, 2017

NINA WATERPROOFING SYSTEMS PVT LTD

Statement of Profit and Loss for the year ended March 31, 2017

(Rs in Lakhs.)

Particulars	Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
INCOME			
Revenue from Operations	25	15,068.69	14,373.99
Other Income	26	128.85	87.45
Total Income		15,197.54	14,461.44
EXPENSES			
Cost of Materials Consumed	27	6,413.38	6,650.10
Purchases of Stock-in-Trade	28	351.29	218.80
Changes in inventories of Work-in-Progress, Stock-in-Trade	29	302.39	(391.24)
Direct Man Power & Site Expenses	30	4,257.74	4,189.12
Employee Benefits Expense	31	2,039.10	1,582.35
Finance Costs	32	64.18	5.69
Depreciation and Amortization Expense	33	152.58	148.07
Other Expenses	34	619.00	484.38
Total Expenses		14,199.66	12,887.27
Profit before Tax		997.88	1,574.17
Tax Expense			
Current Tax	41	240.83	310.17
Deferred Tax	41	145.48	178.08
Net Tax expense		386.31	488.25
Profit for the year		611.57	1,085.92
Other Comprehensive Income			
(i) Items that will not be reclassified subsequently to Profit and Loss			
Remeasurements gains / (losses) of defined benefits plan		(18.17)	4.19
(ii) Income Tax effect on above		4.01	(0.83)
Total Other Comprehensive Income		(14.16)	3.36
Total Comprehensive Income for the year		597.41	1,089.28
Earnings per share	37		
Basic and Diluted (in Rs.)		61.16	134.36
Face Value of Share		10.00	10.00
See accompanying notes to financial statements	1 - 58		

In terms of our Report attached
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

N. K. JAIN
Partner

DELOITTE HASKINS & SELLS LLP MUMBAI

Place: Mumbai
Date : May 4, 2017

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FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Mehul Parikh
Managing Director

Sanjay Bahadur
Director

V. K. Sangoi.
Vivek Sangoi
Head Finance & Accounts

Place: Mumbai
Date : May 4, 2017

NINA WATERPROOFING SYSTEMS PVT LTD

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2017

(Rs in Lakhs.)

Particulars	For the year ended March 31, 2017		For the year ended March 31, 2016	
A. Cash flow from operating activities				
Profit before tax		997.88		1,574.17
Adjustments for:				
Depreciation and amortization expense	152.58		148.07	
Share issue expense	-		8.00	
Provision for employee benefits	41.16		57.96	
Provision for warranty expense	15.00		14.50	
Interest income	(107.57)		(56.64)	
Unrealised foreign exchange loss	(13.33)		0.51	
Net gain on sale of Current Investments	-		(30.19)	
Allowance for Doubtful Debts	60.42		76.93	
Finance costs	64.18		5.69	
		212.44		224.83
Operating profit before working capital changes		1,210.32		1,799.00
Changes in working capital:				
(Increase) / decrease in operating assets:				
Inventories	(588.76)		1,455.24	
Trade receivables	(547.15)		(2,080.71)	
Other financial assets - Current	(847.87)		(1,927.45)	
Other financial assets - Non Current	(583.85)		(13.41)	
Other Current Assets	194.42		(279.31)	
Other non current assets	(13.49)		(1.90)	
		(2,386.70)		(2,847.54)
Increase / (decrease) in operating liabilities:				
Trade payables	1,647.74		18.93	
Other Financial liabilities - Current	(119.98)		58.42	
Other Current Liabilities	(460.48)		976.07	
Other Financial liabilities - Non Current	115.87		-	
		1,183.15		1,053.42
Cash generated from operations		6.77		4.88
Tax paid		(238.23)		(352.27)
Net cash used in operating activities (A)		(231.46)		(347.39)
B. Cash flow from investing activities				
Payments for purchase of Property, Plant and Equipments	(270.33)		(229.87)	
Amount paid against BTA considerations (Refer Note 52)	(391.47)		(7,187.41)	
Profit on sale of current investments	-		30.19	
Interest received	0.00		11.06	
Investment in Subsidiary Company	(15.71)			
Investment in Deposits	(29.74)	(707.25)	(1,150.00)	(8,526.03)
Net cash used in investing activities (B)		(707.25)		(8,526.03)
C. Cash flow from financing activities				
Net Proceeds from Issue of equity share capital	-		8,733.32	
Share issue expenses paid	-		(8.00)	
Net Proceeds from short-term borrowings	791.40		211.79	
Finance costs	(64.18)		(5.69)	
		727.22		8,931.42
Net cash generated from financing activities (C)		727.22		8,931.42
Net increase/(decrease) in Cash and cash equivalents (A+B+C)		(211.49)		58.00
Cash and cash equivalents at the beginning of the year		89.03		31.03
Cash and cash equivalents at the end of the year (Refer Note 12)		(122.46)		89.03

See accompanying notes to the financial statements 1 - 58

In terms of our Report attached
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

DELOITTE HASKINS & SELLS LLP MUMBAI

N. K. JAIN
Partner

Place: Mumbai
Date : May 4, 2017

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Mehul Parikh
Managing Director

Sanjay Bahadur
Director

V. K. Sangoi
Vivek Sangoi
Head Finance & Accounts

Place: Mumbai
Date : May 4, 2017

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AB

NINA WATERPROOFING SYSTEMS PVT LTD

Statement of changes in Equity as at March 31, 2017

(Rs in Lakhs.)

a. Equity Share Capital	Amount
Balance at April 1, 2015	33.33
Changes in equity share capital during the year	
- Issue of equity shares during the year	66.67
Balance at March 31, 2016	100.00
Changes in equity share capital during the year	-
Balance at March 31, 2017	100.00

(Rs in Lakhs.)

b. Other Equity	Reserves and Surplus		Total
	Securities Premium Account	Retained Earnings	
Balance at April 1, 2015	-	(3.21)	(3.21)
Profit for the year	-	1,085.92	1,085.92
On Issue of equity shares during the year	8,666.66	-	8,666.66
Other comprehensive income for the year, net of income tax	-	3.36	3.36
Balance at March 31, 2016	8,666.66	1,086.07	9,752.73
Profit for the year	-	611.57	611.57
Other comprehensive income for the year, net of income tax	-	(14.16)	(14.16)
Balance at March 31, 2017	8,666.66	1,683.48	10,350.14

See accompanying notes to the financial statements 1 - 58

In terms of our Report attached
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

N. K. JAIN
Partner

DELOITTE HASKINS & SELLS LLP MUMBAI

Place: Mumbai
Date : May 4, 2017

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Mehul Parikh
Managing Director

V. K. Sangoi.
Vivek Sangoi
Head Finance & Accounts

Sanjay Bahadur
Director

Place: Mumbai
Date : May 4, 2017

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NINA WATERPROOFING SYSTEMS PVT LTD
Notes forming part of the financial statements.

1. Corporate information

Nina Waterproofing Systems Private Limited ("the Company") is in the business of waterproofing services. It offers end-to-end solutions in waterproofing. The Company has its major presence across the construction spectrum - including residential, commercial, industrial, institutional and Infrastructure segments. Its Principal place of business is at Mumbai. The Company was incorporated on November 11, 2014. The Company is subsidiary of Pidilite Industries Ltd.

2. Significant Accounting Policies

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016.

For all period upto and including the year ended 31st March, 2016, the Company prepared its financial statements in accordance with the requirements of Indian GAAP, i.e. comply with Accounting Standards specified under Section 133 of the Companies Act, 2013, read with applicable rules and the relevant provisions of the Companies Act, 2013. These financial statements for the year ended 31st March, 2017 are the Company's first financial statements under Ind AS and the same are prepared in accordance with Ind AS 101 on 'First-time adoption of Indian Accounting Standards' - Refer to note 2.16 for details of adoption of Ind AS.

The financial statements have been prepared under the historical cost convention except for certain Financial Assets / Liabilities (including derivative instruments) measured at Fair value.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest Lakh, except otherwise indicated.

2.2 Business Combination

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred, liabilities incurred to the former owners of the acquiree and the equity interests issued in exchange of control of the acquiree.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively.

Goodwill is measured as the excess of the sum of the consideration transferred over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

2.3 Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred over the net of acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purpose of impairment testing, Goodwill is allocated to each of the Company's cash generating units that is expected to benefit from the synergies of the combination.

A cash generating unit to which goodwill has been allocated is tested for the impairment annually or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less then its carrying amount, the impairment loss is first allocated to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit prorata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in Profit and Loss account. An impairment loss recognised for goodwill is not reversed in subsequent periods.

2.4 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government, except otherwise mentioned. Revenue is reduced for rebates and other similar allowances.

2.4.1 Sale of Services in the nature of time and material contracts

Revenue on time-and-material contracts are recognized as sale as and when the related services are performed and certified by the client. Services performed and not certified by the client, are recognized as Sales and unbilled revenue under other current assets. Incomplete services are recorded at cost as work in progress and disclosed under Inventories.

2.4.2 Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Claims/Insurance claim etc. are accounted for when no significant uncertainties are attached to their eventual receipt.

2.5 Leasing

At the inception of an arrangement, it is determined whether the arrangement is or contains a lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

2.5.1 The Company as lessee

Payments made under operating leases are recognized on a straight line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

2.6 Foreign currencies

In preparing the financial statements transactions in currencies other than the entity's functional currency (i.e. INR) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items (including financial assets and liabilities) denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Gains or losses arising from these translations are recognised in the statement of Profit and Loss.

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2.10 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. Intangible assets with indefinite useful lives are tested for impairment annually at the cash-generating unit level. The assessment of indefinite useful life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Recoverable amount is the higher of fair value less costs of disposal and value in use. If the recoverable amount of the asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

2.11 Inventories

Inventories are valued at lower of cost and net realisable value.

Cost of inventories is determined on First in first out. Cost for this purpose includes cost of direct materials, direct labour, excise duty and appropriate share of overheads.

Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale. Obsolete, defective, unserviceable and slow / non-moving stocks are duly provided for and valued at net realisable value.

2.12 Provisions (other than Employee Benefits)

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions (excluding retirement benefits) are determined based on the best estimate required to settle the obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

The estimated liability for service warranties is recorded when products applied and services provided. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product applied service failures. The timing of outflows will vary as and when warranty claim will arise - being typically up to ten years service provided against the apply method. As per the terms of the contracts, the Company provides post-contract warranty to some of its customers. The Company accounts for the post-contract provision for warranty on the basis of the information available with the Management duly taking into account the current and past technical estimates.

Contingent liabilities are not recognised but disclosed in the Notes to the Financial Statements.

Contingent assets are not recognised but disclosed in the Notes to the Financial Statements, where an inflow of economic benefits is probable.

2.13 Financial instruments

Financial assets and financial liabilities are recognised 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) are added to or deducted from the 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 recognised in statement of profit and loss.

2.13.1 Financial Assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Debt instruments that meet conditions based on purpose of holding assets and contractual terms of instrument are subsequently measured at amortised cost using effective interest method.

All other financial assets are measured at fair value.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as Fair Value Through Profit or Loss (FVTPL). Interest income is recognised in profit or loss and is included in the "Other income" line item.

Impairment of financial assets

The Company recognises loss allowance using expected credit loss model for financial assets which are not measured at fair value through profit or loss. Expected credit losses are weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at original effective rate of interest.

For Trade receivables, the Company measures loss allowance at an amount equal to lifetime expected credit losses. The Company computes expected credit loss allowance based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.13.2 Financial Liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a group entity 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.

Financial Liabilities

All financial liabilities (other than derivative financial instruments) are subsequently measured at amortised cost using effective interest method. Interest expense is included in the Finance costs line item.

2.13.3 Derecognition of Financial Assets and Liabilities

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when the Company transfers the contractual rights to receive the cash flows of the financial asset in which substantially all the risks and rewards of ownership of the financial asset are transferred, or in which the Company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and does not retain control of the financial asset.

The Company derecognises a financial liability (or a part of financial liability) when the contractual obligation is discharged, cancelled or expires.

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2.14 Derivative Financial Instruments

The Company holds derivative financial instruments such as foreign exchange forward contracts to hedge its exposure to foreign currency exchange rate risks.

Derivatives are initially recognised at fair value at the date the contracts are entered into. Subsequent to initial recognition, these contracts are measured at fair value and changes are recognised in profit or loss.

2.15 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / loss before extraordinary items and tax for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments. Cash flows from operating, investing and financing activities of the Company are segregated.

Cash and cash equivalents for the purpose of cash flow statement comprise of cash at bank, cash in hand and short- term deposits with an original maturity of three months or less, as reduced by bank overdrafts.

2.16 Employee benefits

Employee benefits include Provident Fund, Employee State Insurance Scheme, Gratuity Fund and Compensated Absences.

Defined contribution plans

The Company's contribution to Provident Fund and Employee State Insurance Scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit retirement benefit plans, in the form of gratuity fund, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each balance sheet date. Remeasurement, comprising actuarial gains and losses, is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Defined benefit costs are categorised as follows:

Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
Net interest expense or income
remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the consolidated balance sheet represents the actual deficit or surplus in the Company's defined benefit plans.

Short term and other long term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.17 First-time adoption – mandatory exceptions, optional exemptions

Overall principle

The Company has prepared the opening balance sheet as per Ind AS of April 1, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS. required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. The Company has not availed any exception or exemptions.

2.18 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies, reported amounts of assets, liabilities, income and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is 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 key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

2.18.1 Income taxes

Significant judgements are involved in estimating budgeted profits for the calculation of advance tax and determining provision for income taxes. (Refer note 41)

2.18.2 Business combinations and Intangible Assets

Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets to be fair valued in order to ascertain the net fair value of identifiable assets and liabilities of the acquiree. Significant estimates are required to be made in determining the value of intangible assets. These valuations are conducted by independent valuation experts.

2.18.3 Property, Plant and Equipment

The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired. These esimates are reviewed annually by the management. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

2.18.4 Impairment of Goodwill and Trademark

Goodwill and trademarks are tested for impairment on an annual basis. Recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The impairment test is performed at the level of the cash generating unit or groups of cash-generating units which are benefitting from the synergies of the acquisition and which represents the lowest level at which the intangibles are monitored for internal management purposes.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins.

Cash flow projections take into account past experience and represent management's best estimate about future developments.

2.18.5 Employee related provisions

The costs of long term and short term employee benefits are estimated using assumptions by the management. These assumptions include rate of increase in compensation levels, discount rates, expected rate of return on assets and attrition rates. (Refer note 39)

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Notes forming part of the financial statements.

3. Property, plant and equipment

(Rs in Lakhs.)

Carrying amounts of:	March 31, 2017	March 31, 2016	April 1, 2015
Building (Leasehold improvement)	**55.46**	-	-
Plant & Machinery	**247.21**	215.27	-
Vehicles	**28.83**	29.61	-
Furniture & Fixtures	**25.74**	3.61	-
Office Equipment	**42.38**	27.77	0.10
Total	399.62	276.26	0.10

Cost (Gross Block)	**Building (Leasehold Improvement)**	**Plant & Machinery**	**Vehicles**	**Furniture & Fixtures**	**Office Equipment**	**Total**
Balance at April 1, 2015	-	-	-	-	0.10	**0.10**
Additions	-	111.56	8.31	0.65	10.88	131.40
Acquisitions through business combinations (Refer Note 52)	-	223.43	32.22	3.72	28.26	287.63
Balance at March 31, 2016	-	**334.99**	**40.53**	**4.37**	**39.24**	**419.13**
Additions	65.81	136.91	5.30	31.46	30.85	270.33
Balance at March 31, 2017	**65.81**	**471.90**	**45.83**	**35.83**	**70.09**	**689.46**

Accumulated depreciation	**Building (Leasehold Improvement)**	**Plant & Machinery**	**Vehicles**	**Furniture & Fixtures**	**Office Equipment**	**Total**
Balance at April 1, 2015	-	-	-	-	0.00	**0.00**
Depreciation for the year	-	119.72	10.92	0.76	11.47	142.87
Balance at March 31, 2016	-	**119.72**	**10.92**	**0.76**	**11.47**	**142.87**
Depreciation for the year	10.35	104.97	6.08	9.33	16.24	146.97
Balance at March 31, 2017	**10.35**	**224.69**	**17.00**	**10.09**	**27.71**	**289.84**

Carrying amount (Net Block)	**Building (Leasehold Improvement)**	**Plant & Machinery**	**Vehicles**	**Furniture & Fixtures**	**Office Equipment**	**Total**
Balance at April 1, 2015	-	-	-	-	**0.10**	**0.10**
Additions	-	111.56	8.31	0.65	10.88	131.40
Acquisitions through Business Combinations	-	223.43	32.22	3.72	28.26	287.63
Depreciation for the year	-	119.72	10.92	0.76	11.47	142.87
Balance at March 31, 2016	-	**215.27**	**29.61**	**3.61**	**27.77**	**276.26**
Additions	65.81	136.91	5.30	31.46	30.85	270.33
Depreciation for the year	10.35	104.97	6.08	9.33	16.24	146.97
Balance at March 31, 2017	**55.46**	**247.21**	**28.83**	**25.74**	**42.38**	**399.62**

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Notes forming part of the financial statements.

4. Goodwill

(Rs in Lakhs.)

	March 31, 2017	March 31, 2016	April 1, 2015
Cost	**512.60**	512.60	-
Accumulated impairment losses	-	-	-
	512.60	512.60	-

Cost	March 31, 2017	March 31, 2016	April 1, 2015
Balance at beginning of year	**512.60**	-	-
Additional amounts recognised from business combinations occurring during the year (Refer Note 52)	-	512.60	-
Balance at end of year	**512.60**	512.60	-

5. Other Intangible assets

Carrying amounts of	March 31, 2017	March 31, 2016	April 1, 2015
Trademark	**2,693.98**	2,693.98	-
Computer Software	**18.76**	24.37	-
	2,712.74	2,718.35	-

Cost (Gross block)	**Trademark**	**Computer Software**	**Total**
Balance at April 1, 2015			
Acquisitions through business combinations (Refer Note 52)	2,614.75	10.33	2,625.08
Additions	79.23	19.24	98.47
Balance at March 31, 2016	**2,693.98**	**29.57**	**2,723.55**
Addition / Deletion	-	-	-
Balance at March 31, 2017	**2,693.98**	**29.57**	**2,723.55**

Accumulated amortisation and impairment	**Trademark**	**Computer Software**	**Total**
Balance at April 1, 2015	-	-	-
Amortisation expense	-	5.20	5.20
Balance at March 31, 2016	-	**5.20**	**5.20**
Amortisation expense	-	5.61	5.61
Balance at March 31, 2017	-	**10.81**	**10.81**

Carrying amount (Net Block)	**Trademark**	**Computer Software**	**Total**
Balance at April 1, 2015	-	-	-
Acquisitions through business combinations (Refer Note 52)	2,614.75	10.33	2,625.08
Additions	79.23	19.24	98.47
Amortisation expense	-	5.20	5.20
Balance at March 31, 2016	**2,693.98**	**24.37**	**2,718.35**
Amortisation expense	-	5.61	5.61
Balance at March 31, 2017	**2,693.98**	**18.76**	**2,712.74**

The Company has opted for the indefinite useful life for its Trademarks on the basis of renewal of legal rights as required under paragraph on timely basis and the management's intention to keep it perpetually.

Allocation of goodwill to cash-generating units
The Company is into Waterproofing Services business which is the only cash generating unit.
At the end of each reporting period, the Company reviews carrying amount of goodwill to determine whether there is any indication that goodwill has suffered any impairment loss.
Recoverable amount of goodwill exceeds the carrying amount of goodwill in the books as on 31st March 2017. Further there are no external indications of impairment of goodwill.
As a result, no impairment loss on goodwill is recognised.
Projected cashflows
The recoverable amount of this cash-generating unit is determined based on a value in use calculation which uses cash flow projections

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based on financial budgets approved by the management covering a five year period, and a discount rate of 12.8% per annum (as at March 31, 2016: 12.8% per annum).

Cash flow projections during the budget period are based on the same expected gross margins and raw materials price inflation throughout the budget period. The cash flows beyond that five-year period have been extrapolated using a steady 12% per annum (as at 31st March, 2016: 12% per annum) growth rate. The management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

The key assumptions used in the value in use calculations are as follows:

Budgeted sales growth :

Sales growth is assumed at 15% (CAGR), in line with current year projections. The values assigned to the assumption reflect past experience and are consistent with the managements' plans for focusing operations in these markets. The management believes that the planned sales growth per year for the next five years is reasonably achievable.

Raw materials price inflation

Forecast for Material cost growth is assumed at 15% considering impact of commodity cost inflation.

Other budgeted costs

Forecast for Direct cost growth is assumed at 15% considering impact of inflation. Other fixed costs are in line with the current year's growth.

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6 Investments

(Rs in Lakhs.)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non Current Investments			
(i) Investment in Subsidiary (Fully paid up)			
Unquoted Investment in Equity Instruments of Subsidiary (at cost)			
350,000 Equity shares of LKR of 1 each of Nina Lanka Construction Technologies Pvt Ltd (Refer Note 55)	**15.71**	-	-
(ii) Investment in Others			
Unquoted Investment in Deposit with (at amortised cost)			
IL & FS Financials Services Limited	**234.33**	176.75	-
Infrastructure Leasing & Financials Services Limited	**1,098.48**	1,018.76	-
TOTAL	**1,348.52**	1,195.51	-

7 Other Financial Assets - Non-Current

(Rs in Lakhs.)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured, considered good			
Security deposits	**39.11**	42.27	-
Fixed Deposits with Bank (Under Lien)	**3.15**	3.15	-
Interest Accrued on Deposit with Bank	**0.34**	0.08	-
Retention Monies Receivable	**1,334.45**	747.70	-
TOTAL	**1,377.05**	793.20	-

8 Current Tax Assets (net) - Non-Current

(Rs in Lakhs.)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured, considered good			
Advance Income Tax (Net of Provisions Rs. 226.00 Lakhs, Previous year Rs. 311.00 Lakhs, 2015 - Nil)	**42.68**	41.27	-
TOTAL	**42.68**	41.27	-

9 Other Assets - Non-Current

(Rs in Lakhs.)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured, considered good			
Balance with Government Authorities*	**15.47**	1.98	-
TOTAL	**15.47**	1.98	-

* Mainly comprises of Service tax and VAT input credit receivable

10 Inventories (At lower of cost and net realizable value)

(Rs in Lakhs.)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Stock of Material	**2,559.05**	1,667.90	-
(Including Goods in Transit: Rs. 250.73 Lakhs, Previous year - Rs. 173.57 Lakhs, 2015 - Nil)			
Work-in-Progress	**88.85**	391.24	-
TOTAL	**2,647.90**	2,059.14	-

(i) The cost of inventories recognised as an expenses during the year was Rs. 7,082.52 Lakhs (for the year ended March 31, 2016: Rs. 6,477.66 Lakhs).
(ii) The mode of valuation of inventories has been disclosed in note 2.11

11 Trade Receivables

(Rs in Lakhs.)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current			
Unsecured, considered good	**5,675.65**	5,191.82	-
Considered doubtful	**137.35**	76.93	-
	5,813.00	5,268.75	-
Less: Allowance for Doubtful Debts	**137.35**	76.93	-
Total	**5,675.65**	5,191.82	-

The average credit period on sales of goods is 90 days. No interest is charged on trade receivables.
Before accepting any new customer, the Company performs detailed background check to assess the potential customer's credit quality. The credit quality of customer are reviewed regular basis. Of the trade receivables balance as at March 31, 2017, an amount of Rs. 885.53 Lakhs (as at March 31, 2016 of Rs. 669.09 Lakhs; as at April 1, 2015 of Rs. NIL) is due from Larsen & Tubro Ltd and Capacity Projects Pvt Ltd the company's largest customers. There are no other customers who represent more than 5% of the total balance of trade receivables.
The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

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Ageing (days)	Expected credit loss (%)
241-365	10
366-545	20
>546 days	30

Age of receivables	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Within the credit period	**1,817.07**	1,181.06	
1-240	**2,454.80**	2,375.40	-
241-365	**266.09**	575.60	-
366-545	**322.95**	-	-
>546 days	**153.84**	-	-
Opening BTA (Refer Note 52)	**798.25**	1,136.69	-
Total	**5,813.00**	5,268.75	-
Breakup of Allowance for Doubtful Debts			
Total Allowance for Doubtful Debts	**137.35**	76.93	

(Rs in Lakhs.)

Movement in expected credit loss allowance	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Balance at beginning of the year	**76.93**	-	-
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	**60.42**	76.93	-
Less : Write off of Bad Debts	-	-	
Balance at end of the year	**137.35**	76.93	-

A formal commercial policy has been framed and credit facilities are given to customers within framework of policy. As credit risk management mechanism, a Policy for doubtful debt has been formulated and risk exposure related to receivable are identified based on criteria mentioned in policy and provided for credit loss allowance.
Trade Receivable includes dues from Private companies in which any Director is a director or a member. (Refer Note 38)

12 Cash and Cash Equivalents

(Rs in Lakhs.)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Cash on Hand	-	-	-
Balances with banks			
In Current Account	**69.49**	89.03	7.70
In Escrow Account	-	-	23.33
Cash and Cash Equivalents as per Balance Sheet	**69.49**	89.03	31.03
Bank Overdraft (Refer Note 20)	**(191.95)**	-	-
Cash and cash equivalents as per Statement of Cash Flow	**(122.46)**	89.03	31.03

13 Other Financial Assets - Current

(Rs in Lakhs.)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured, considered good			
Security deposits*	**7.10**	3.19	-
Loans and Advances to Employees*	**95.80**	54.93	-
Uncertified Revenue from Works Contract	**2,581.32**	1,625.29	-
Retention Monies Receivable	**926.17**	1,081.17	-
Other Receivables - Foreign currency forward contracts	**2.06**	-	-
TOTAL	**3,612.45**	2,764.58	-

* For Business purpose

14 Other Current Assets

(Rs in Lakhs.)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured, considered good			
Advances to vendors**	**40.38**	288.61	-
Prepaid Expenses	**18.53**	3.02	14.32
Balances with Government Authorities*	**47.61**	9.31	0.34
TOTAL	**106.52**	300.94	14.66

* Mainly comprises of Service tax and VAT input credit receivable
** For Business purpose

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Notes forming part of the financial statements.

15 Equity Share Capital

(Rs in Lakhs.)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Authorised Capital :			
1,100,000 Equity Shares of Rs. 10 each	110.00	110.00	110.00
TOTAL	110.00	110.00	110.00
Issued, Subscribed and Paid up Capital :			
999,999 Equity Shares of Re 10 each, fully paid-up As at March 31, 2016 : 999,999; As at March 31, 2015 : 333,333	100.00	100.00	33.33
TOTAL	100.00	100.00	33.33

a. **Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year**

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of Shares	Rs in Lakhs	Number of Shares	Rs in Lakhs	Number of Shares	Rs in Lakhs
Equity Shares						
At the beginning of the year	999,999	100.00	333,333	33.33	333,333	33.33
Issued during the year	-	-	666,666	66.67	-	-
Outstanding at the end of the year	999,999	100.00	999,999	100.00	333,333	33.33

b. **Terms/ Rights attached to equity shares**
The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholders are in proportion to its share of the paid-up equity capital of the company. On winding up of the company, remaining assets of the company after distribution of all preferential amounts will be distributed in proportion to the number of equity shares held. The Company has not declared any dividend during the year.

c. **Details of shareholders holding more than 5% shares in the Company:**

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mehul Parikh	-	-	-	-	50,000	15.00
Mehul Parikh (Held as a partner of Jupiter Waterproofing Services)	300,000	30	300,000	30	50,000	15.00
Pidilite Industries Ltd (Holding Company)	699,999	70	699,999	70	233,333	70.00

d. No equity shares were allotted without payment being received in cash.

e. The Company does not have any stock option plans.

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16 **Other Equity**

(Rs in Lakhs.)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Securities Premium Reserve*			
Balance at the beginning of the year	8,666.66	-	-
Add.: Premium on Shares issued during the year	-	8,666.66	-
Closing Balance	8,666.66	8,666.66	-
Retained Earnings			
Balance at the beginning of the year	1,086.07	(3.21)	-
Add: Profit / (Loss) for the year	611.57	1,085.92	(3.21)
Add: Other Comprehensive Income	(14.16)	3.36	-
Closing Balance	1,683.48	1,086.07	(3.21)
TOTAL	10,350.14	9,752.73	(3.21)

*Securities Premium Reserve is used to record the premium on issue of shares. The Reserve is utilised in accordance with the provision of the Act.

17 **Other Financials Liabilities - Non Current**

(Rs in Lakhs.)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Payables towards BTA (Refer Note 52)	197.18	81.31	-
TOTAL	197.18	81.31	-

18 **Provisions - Non Current**

(Rs in Lakhs.)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Provision for Employee Benefits			
Gratuity (Refer Note 39)	117.81	96.42	-
Provision for Warranty Expense (Refer Note 51)	25.10	13.05	-
TOTAL	142.91	109.47	-

19 **Deferred Tax Liabilities (Net) (Refer Note 41)**

(Rs in Lakhs.)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Tax effect of items constituting Deferred Tax Liabilities			
Property, Plant and equipment and Intangible Assets	418.35	241.14	-
Tax effect of items constituting Deferred Tax Liabilities	418.35	241.14	-
Tax effect of items constituting Deferred Tax Assets			
Defined benefit obligation	12.78	1.02	-
Trade receivables	45.41	25.44	-
Tax effect of items constituting Deferred Tax Assets	58.19	26.46	-
TOTAL	360.16	214.68	-

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20 Borrowings - Current

(Rs in Lakhs.)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured - at amortised cost			
Loans repayable on demand from Bank - (Refer Note (i) below)			
Working Capital Demand Loan	600.00	-	-
Bank Overdraft	191.95	-	-
Short Term Loans from Banks - Buyer's Credit (Refer Note (i) below)	256.05	211.79	-
Amount due on factoring from NBFC (Refer Note (ii) below)	136.24	-	-
TOTAL	1,184.24	211.79	-

(i) Secured by first charge by way of hypothecation of the company's entire stocks of materials, such other moveable's including book-debts, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the bank, ranking pari passu with other participating banks.
(ii) Secured by a charge over certain of the Company trade receivable

The terms of repayment of borrowing as stated below:
As at March 31, 2017

Sr. No.	Particulars	Amount Outstanding	Terms of Repayment	Rate of Interest
1	Working Capital Demand Loan	600.00	Payable on Demand	8.90%
2	Bank Overdraft	191.95	Payable on Demand	9.40%
3	Short Term Loans from Banks - Buyer's Credit	256.05	Varied between April 1, 2017 to July 31, 2017	2.50%
4	Amount due on factoring from NBFC	136.24	Varied between April 1, 2017 to June 30, 2017	11.75%

As at March 31, 2016

Sr. No.	Particulars	Amount Outstanding	Terms of Repayment	Rate of Interest
1	Short Term Loans from Banks - Buyer's Credit	211.79	Varied between April 1, 2016 to July 31, 2016	2.50%

21 Trade Payables

(Rs in Lakhs.)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade Payables	3,684.07	2,433.13	0.37
TOTAL	3,684.07	2,433.13	0.37

For payable to Micro & Small Enterprises (Refer Note 48)

22 Other Financials Liabilities - Current

(Rs in Lakhs.)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Employee related Liabilities	182.79	80.54	-
Retention Deposits Payable	35.94	31.51	-
Payables towards BTA (Refer Note 52)	426.08	933.42	-
Liabilities for Expenses	436.48	155.80	15.30
TOTAL	1,081.29	1,201.27	15.30

23 Provisions - Current

(Rs in Lakhs.)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Provision for Employee Benefits			
Gratuity (Refer Note 39)	31.54	17.38	-
Compensated absences	74.43	50.67	-
Provision for Warranty Expense (Refer Note 51)	4.40	1.45	-
TOTAL	110.37	69.50	-

The provision for warranty expense represents the value of the directors best estimates of future outflow of economic benefits that will be required under Company obligation for warranties under local sales of the goods and services. The estimates has been made on the basis of historical warranty trend and may very as a result of new materials, altered processes for other events affecting product quality.

24 Other Liabilities - Current

(Rs in Lakhs.)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Advance from customers	1,176.35	1,517.16	-
Statutory Remittances*	133.98	253.64	-
TOTAL	1,310.33	1,770.80	-

* Mainly comprises of Service tax, TDS and VAT payables.

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25 Revenue From Operations

(Rs in Lakhs.)

	For the year ended March 31, 2017	For the year ended March 31, 2016
Sales of Products (Chemicals)		
Local	**635.20**	395.81
Export	**85.13**	-
Sale of Services		
Certified Revenue from Works Contract	**13,392.33**	12,352.89
Uncertified Revenue from Works Contract	**956.03**	1,625.29
TOTAL	**15,068.69**	14,373.99

26 Other Income

(Rs in Lakhs.)

	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest on:		
Bank Deposits (at Amortised cost)	**0.27**	0.08
Other Deposits	**107.30**	56.56
Net gain on sale of Current Investments (at FVTPL)	**-**	30.19
Other non-operating Income:		
Insurance claim	**13.54**	0.62
Other Miscellaneous Income	**7.74**	-
TOTAL	**128.85**	87.45

27 Cost of Materials Consumed

(Rs in Lakhs.)

	For the year ended March 31, 2017	For the year ended March 31, 2016
Inventory at the beginning of the year	**1,667.90**	-
Add : Purchases ((Chemicals) as per BTA refer note 52)	**-**	3,514.38
Add : Purchases (Chemicals)	**7,304.53**	4,803.62
	8,972.43	8,318.00
Less : Inventory at the end of the year	**2,559.05**	1,667.90
TOTAL	**6,413.38**	6,650.10

28 Purchases of Stock-in-Trade

(Rs in Lakhs.)

	For the year ended March 31, 2017	For the year ended March 31, 2016
Chemicals	**351.29**	218.80
TOTAL	**351.29**	218.80

29 Change in Inventories of Work in Progress

(Rs in Lakhs.)

	For the year ended March 31, 2017	For the year ended March 31, 2016
Inventories at end of the year		
Work-in-Progress	**88.85**	391.24
(A)	**88.85**	391.24
Inventories at beginning of the year		
Work-in-Progress	**391.24**	-
(B)	**391.24**	-
TOTAL	**302.39**	(391.24)

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30 **Direct Man Power & Site Expenses**

	For the year ended March 31, 2017	For the year ended March 31, 2016
		(Rs in Lakhs.)
Manpower Cost at Sites	**3,781.86**	3,680.19
Site Establishment Expenses	**475.88**	508.93
TOTAL	**4,257.74**	4,189.12

31 **Employee Benefits Expense**

	For the year ended March 31, 2017	For the year ended March 31, 2016
		(Rs in Lakhs.)
Salaries and Wages	**1,947.91**	1,500.84
Contribution to Provident and Other Funds	**48.38**	39.39
Gratuity Expense	**20.46**	18.37
Staff Welfare Expenses	**22.35**	23.75
TOTAL	**2,039.10**	1,582.35

32 **Finance Costs**

	For the year ended March 31, 2017	For the year ended March 31, 2016
		(Rs in Lakhs.)
Interest expense on:		
Bank overdrafts and borrowings	**56.42**	3.20
Delayed / deferred payment of Statutory Dues	**7.76**	2.49
TOTAL	**64.18**	5.69

33 **Depreciation and Amortization Expense**

	For the year ended March 31, 2017	For the year ended March 31, 2016
		(Rs in Lakhs.)
Depreciation (Refer Note 3)	**146.97**	142.87
Amortization (Refer Note 5)	**5.61**	5.20
TOTAL	**152.58**	148.07

34 **Other Expenses**

	For the year ended March 31, 2017	For the year ended March 31, 2016
		(Rs in Lakhs.)
Rent (Refer Note 50)	**132.96**	46.06
Insurance	**22.69**	12.59
Repairs & Maintenance Expenses	**17.74**	13.53
Electricity Expenses	**18.26**	10.74
Advertisement and Publicity	**6.71**	4.92
Legal, Professional and Consultancy fees	**32.20**	40.71
Communication Expenses	**31.20**	26.45
Printing and Stationery	**11.69**	8.83
Travelling and Conveyance Expenses	**87.71**	62.60
Rates & Taxes Paid	**83.70**	50.21
Provision for Warranty Expenses (Refer Note 51)	**15.00**	14.50
Allowance for Doubtful Debts	**60.42**	76.93
Payments to Auditor (Refer Note 49)	**10.70**	9.20
Directors sitting fees	**0.20**	-
Corporate Social Responsibility Expenses (Refer Note 53)	**15.25**	-
Bank Charges	**28.62**	26.96
Net loss on foreign currency transactions and translation	**21.05**	58.44
Miscellaneous expenses	**22.90**	21.71
TOTAL	**619.00**	484.38

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35 Contingent Liabilities and Commitments

(Rs in Lakhs.)

		As at March 31, 2017	As at March 31, 2016
A)	**Contingent liabilities not provided for:**		
	Guarantees given by Banks in favour of customers	3,257.20	2,296.14
B)	**Commitments:**		
(a)	Estimated amount of contracts, net of advances, remaining to be executed for the acquisition of property, plant and equipment and not provided for	1.76	47.30
(b)	Other Commitments - Non Cancellable Operating Leases (Refer Note 50)		

36 Segment Information

The Company has determined its operating segment as waterproofing services, based on the information reported to the chief operating decision maker (CODM i.e. Managing Director of the Company) in accordance with the requirements of Indian Accounting Standard 108 - 'Operating Segment Reporting', notified under the Companies (Indian Accounting Standards) Rules, 2015.

37 Earnings Per Share (EPS)

(Rs in Lakhs.)

	As at March 31, 2017	As at March 31, 2016
Basic and Diluted:		
Total Operations for the year		
Profit for the year	**611.57**	1,085.92
Weighted average number of equity shares for calculating basic and diluted EPS	**999,999**	808,218
Par value per share	**10.00**	10.00
Earning per share (Basic and Diluted) in Rs.	**61.16**	134.36

38 Related Party Transactions

List of Related Parties

(i)	**Holding Company**	
	Pidilite Industries Ltd	Holding Company
(ii)	**Subsidiary Company**	
	Nina Lanka Construction Technologies Pvt Ltd	Wholly Owned Subsidiary
(iii)	**Key Management Personnel**	
a.	Shri Mehul K. Parikh	Managing Director
b.	Smt Hetal M. Parikh	Director
(iv)	**Significant influence by Holding Company / Director of the Company**	
a.	Percept Waterproofing Services Ltd	Subsidiary of Holding Company
b.	Nina Concrete Systems Pvt Ltd	Significant Influence of Managing Director
c.	Mekaul Constructions Technologies Pvt Ltd	Significant Influence of Managing Director
d.	Penetron India Pvt Ltd	Significant Influence of Managing Director
e.	Pyramid Waterproofing Services LLP (w.e.f. January 16, 2017)	Significant Influence of Director in firm
f.	Pidilite Lanka (Private) Ltd	Subsidiary of Holding Company
g.	Dr. Fixit Institute of Structural Protection & Rehabilitation	Significant Influence of Director

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Transactions with Related Parties for the year ended March 31, 2017 are as follows :

(Rs in Lakhs.)

	Nature of Transaction	Remuneration to Directors	Pidilite Industries Ltd	Pidilite Lanka (Private) Ltd	Nina Lanka Construction Technologies Pvt Ltd	Pyramid Waterproofing Services LLP	Percept Waterproofing Services Ltd	Nina Concrete Systems Pvt Ltd	Dr. Fixit Institute of Structural Protection & Rehabilitation	Mekaul Construction Technologies Pvt Ltd	Penetron India Pvt Ltd	Total
a	Sales /Works Contact Income	-	-	16.70	65.33	-	6.62	139.83	-	-	-	228.48
		(-)	(-)	(-)	(-)	(-)	(-)	(965.46)	(-)	(-)	(7.99)	(973.45)
b	Business Purchase	-	-	-	-	-	-	-	-	-	-	-
		(-)	(-)	(-)	(-)	(-)	(-)	(8,202.13)	(-)	(-)	(-)	(8,202.13)
c	Purchases and Other Services	-	2,766.65	-	-	889.52	1.86	7.40	4.77	0.31	9.93	3,680.44
		(-)	(1,154.79)	(-)	(-)	(-)	(63.04)	(7.20)	(-)	(0.55)	(3.87)	(1,229.45)
d	Remuneration to Directors: Managing Director	133.99	-	-	-	-	-	-	-	-	-	133.99
		(110.38)	-	-	-	-	-	-	-	-	-	(110.38)
e	Outstanding Balances :											
	- Debtors including advances	-	-	15.73	63.40	-	6.75	270.02	-	0.55	-	356.45
		(-)	(-)	(-)	(-)	(-)	(-)	(626.32)	(-)	(0.55)	(7.99)	(634.86)
	- Creditors	-	2,232.28	-	-	367.51	0.77	610.16	-	0.31	-	3,211.03
		(-)	(-900.34)	(-)	(-)	(-)	(0.53)	(0.99)	(-)	(-)	(13.57)	(-885.25)
	- Net Receivable/(Payable)	-	(2,232.28)	15.73	63.40	(367.51)	5.98	(340.14)	-	0.24	-	(2,854.58)
		(-)	(-900.34)	(-)	(-)	(-)	(-0.53)	(-625.33)	(-)	(-0.55)	(-5.58)	(-1532.33)

Figures in bracket indicates previous year's figures

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39 Employee Benefits

General description of defined benefit plans :

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is calculated as per the Payment of Gratuity Act. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Actuarial gains and losses in respect of defined benefit plans are recognised in the Financial statements through other comprehensive income.

Interest risk

A decrease in the bond interest rate will increase the plan liability.

Longevity risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Defined benefit plans – as per actuarial valuation

(Rs in Lakhs.)

	Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Change in the present value of defined benefit obligation				
1	Present value of defined benefit obligation at the beginning of the year	113.80	-	-
2	Obligation as per BTA (Refer Note 52)	-	110.71	-
3	Current service cost	11.70	10.49	-
4	Interest cost/income	8.76	7.88	-
5	Remeasurements (gains)/ losses included in OCI			-
	Actuarial (gains)/ losses arising from changes in demographic assumption	1.76	0.16	
	Actuarial (gains)/ losses arising from changes in financial assumption	2.47	(12.20)	
	Actuarial (gains)/ losses arising from changes in experience adjustment	13.94	7.85	
6	Past Service cost			-
7	Benefits paid	(3.08)	(11.09)	-
8	Present value of defined benefit obligation at the end of the year	149.35	113.80	-

Change in fair value of plan assets during the year				
1	Fair value of plan assets at the beginning of the year	-	-	-
2	Interest income	-	-	-
3	Contribution by employer	-	-	-
4	Benefits paid	-	-	-
5	Remeasurements (gains)/ losses included in OCI	-	-	-
6	return on plan assets excluding interest income	-	-	-
7	Fair value of plan assets at the beginning of the year	-	-	-

Net Asset/(Liability) recognised in the Balance Sheet as at				
1	Present value of defined benefit obligation as at 31st March	149.35	113.80	-
2	Fair value of plan assets as at 31st March	-	-	-
3	Surplus/(Deficit)	149.35	113.80	-
4	Current portion of the above	31.54	17.38	-
5	Non current portion of the above	117.81	96.42	-

Actuarial assumptions				
1	Discount rate	6.9%	7.8%	-
2	Attrition rate	15%	13%	-
3	Salary Escalation	4.5%	5.0%	-

Quantitative sensitivity analysis for significant assumption is as below				
1	One percentage point increase in discount rate	143.14	108.60	-
2	One percentage point decrease in discount rate	156.19	119.55	-
3	One percentage point increase in Salary growth rate	156.27	119.64	-
4	One percentage point decrease in Salary growth rate	142.97	108.45	-
5	One percentage point increase in attrition rate	150.02	114.55	-
6	One percentage point decrease attrition rate	148.65	112.98	-

Expense recognised in the Statement of Profit and Loss for the year				
1	Current service cost	11.70	10.49	-
2	Interest cost on benefit obligation (Net)	8.76	7.88	-
3	Total expenses included in employee benefits expense	20.46	18.37	-

Recognised in other comprehensive income for the year				
1	Actuarial (gains)/ losses arising from changes in demographic assumption	1.76	0.16	-
2	Actuarial (gains)/ losses arising from changes in financial assumption	2.47	(12.20)	-
3	Actuarial (gains)/ losses arising from changes in experience adjustment	13.94	7.85	-
4	Return on plan asset	-	-	-
5	Recognised in other comprehensive income	18.17	(4.19)	-

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The Company's contribution to Provident Fund and Employees State Insurance Scheme aggregating **Rs. 48.38 Lakhs** (As at March 31, 2016 : Rs. 39.39 Lakhs, As at March 31, 2015 : Nil) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

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40 Financial Instrument

1 Capital Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debts (borrowing detailed in note 20 offset by cash and bank balances in note 12) and total equity of the Company.

Gearing ratio

The gearing ratio at end of the reporting period was as follow:

(Rs in Lakhs.)

	March 31, 2017	March 31, 2016	April 1, 2015
Debts	1,184.24	211.79	-
Cash and Bank balances	(69.49)	(89.03)	(31.03)
Net Debts	1,114.75	122.76	(31.03)
Total Equity	10,450.14	9,852.73	30.12
Net Debts to Equity Ratio	10.7%	1.2%	-

2 Categories of financial instruments

(Rs in Lakhs.)

	March 31, 2017	March 31, 2016	April 1, 2015
Financial assets			
Measured at Fair Value through Profit or Loss (FVTPL)			
Foreign currency forward contracts	2.06	-	-
Measured at amortised cost			
Cash and bank balances	69.49	89.03	31.03
Other financial assets	12,011.61	9,945.11	-
Financial liabilities			
Measured at amortised cost			
Borrowings	1,184.24	211.79	-
Trade Payables	3,684.07	2,433.13	0.37
Other financial liabilities	1,507.51	1,852.11	-

3 Financial risk management objectives

Liquidity risk management

Liquidity risk refers to the risk that the Company will encounter difficulty in meeting its financial obligation as they fall due. The Company's financial liabilities as on March 31,2017 is Rs. 6,295.90 Lakhs as short term funding from NBFC and bank bearing interest rate range from 9% to 10% repayable on demand. Significant portion of the Company's financial assets as on March 31, 2017 is Rs. 12,081.09 Lakhs comprise of cash and cash equivalents aggregating to Rs.69.49 Lakhs.

Credit risk management

Credit risk refers to risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has big reputed corporate as customer based due to which credit risk is very less. Significant portion of the Company's financial assets as at 31st March 2017 comprise of trade receivable, retention money receivable and unbilled revenue which are held with reputed and credit worthy reputed corporate customers.

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4 Market risk
The Company's activities expose it primarily to the financial risk of changes in foreign currency exchange rates (see note 5 below). The Company enters into forward foreign exchange contracts to manage its exposure to foreign currency risk of imports.

5 Foreign currency sensitivity analysis
The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed utilising forward foreign exchange contracts.
The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

(Rs in Lakhs.)

Particulars	FC value in Foreign Currency		FC value in INR	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Amounts recoverable in foreign currency on account of the following:				
USD	1.22	-	79.12	-
Amounts payable in foreign currency on account of the following:				
AED	0.39	0.26	6.81	4.75
EUR	2.59	1.51	179.01	113.53
AUD	0.47	0.67	23.45	34.20
GBP	1.09	-	88.51	-
USD	1.91	3.70	123.60	245.10

The Company is mainly exposed to the GBP, USD and EUR.
The following table details the Company's sensitivity to a 2% increase and decrease against the relevant foreign currencies. 2% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2% change in foreign currency rates. A positive number below indicates an increase in profit of Rs. 6.24 Lakhs (As at March 31, 2016 : Rs. 7.17 Lakhs) as due to strengthening of INR by 2% against the relevant currency. For a corresponding 2% weakening of INR against the relevant currency, there would be a comparable impact on the profit and the balances below would be negative.

(Rs in Lakhs.)

	USD impact	
	March 31, 2017	March 31, 2016
Impact on profit or loss for the year (i)	0.89	4.90

	EUR impact	
	March 31, 2017	March 31, 2016
Impact on profit or loss for the year (ii)	3.58	2.27

	GBP impact	
	March 31, 2017	March 31, 2016
Impact on profit or loss for the year (iii)	1.77	-

(i) This is mainly attributable to the exposure outstanding on USD receivables and payables the end of the reporting period.
(ii) This is mainly attributable to the exposure to outstanding Euro receivables and payables at the end of the reporting period.
(iii) This is mainly attributable to the exposure to outstanding GBP receivables and payables at the end of the reporting period.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

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Forward foreign exchange contracts

It is the policy of the Company to enter into forward foreign exchange contracts to cover foreign currency payments in USD and Euro. The Company enters in to contracts with terms upto 120 days.

The company enters in to forward foreign exchange contracts to manage the risk associated with purchase transactions with 100% exposure to all imports.
The following table details the forward foreign currency (FC) contracts outstanding at the end of the reporting period.

Outstanding contracts	Average exchange rates (in Rs.)			Foreign Currency (Rs. In Lakhs)		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
USD - Buy	65.61	-	-	0.78	-	-
GBP - Buy	81.31	-	-	0.35	-	-
EUR - Buy	71.43	-	-	0.60	-	-

Outstanding contracts	Nominal Amounts (Rs. In Lakhs)			Fair value assets / (liabilities) (Rs. In Lakhs)		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
USD - Buy	51.49	-	-	0.74	-	-
GBP - Buy	28.58	-	-	(0.09)	-	-
EUR - Buy	42.95	-	-	1.41	-	-

The line-items in the balance sheet that include the above are "Other financial assets" and "Other Income".
At March 31, 2017, the aggregate amount of gain under forward foreign exchange contracts recognised in statement of profit and loss is Rs. 2.06 Lakhs (as at March 31, 2016 Rs. Nil, as at March 31, 2015 Rs. Nil).

6 Interest Rate Risk Management

The company is expose to interest rate risk because Company borrow funds at floating interest rate.

Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents managements assessment of the reasonably possible change in interest rates.
If interest rate had been 50 basis points higher / lower and all other variables were held constant, the company's profit for the year ended March 31, 2017 would decrease / increase by Rs. 3.96 Lakhs (for the year ended March 31, 2016: decrease / increase by Rs. 0.37 Lakhs). This is mainly attributable to the Company's exposure to interest rate on its variable rate borrowings.
The effective interest rate of the company is 9%.

7 Fair value measurements

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

(Rs in Lakhs.)

Financial assets / financial liabilities	Fair value as at			Fair value hierarchy	Valuation technique(s) and key input(s)
	March 31, 2017	March 31, 2016	April 1, 2015		
Foreign currency forward contracts	2.06	-	-	Level 2	Mark to market values.

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Notes forming part of the financial statements.

Fair value of the Company's financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)
Except as detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

(Rs in Lakhs.)

Particulars	March 31, 2017		March 31, 2016		April 1, 2015	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets						
Financial assets carried at Amortised Cost						
Investments	1,348.52	1,348.52	1,195.51	1,195.51	-	-
Security Deposits	39.11	39.11	42.27	42.27	-	-
Fixed Deposits with Bank (Under Lien)	3.15	3.15	3.15	3.15	-	-
Retention Monies Receivables	1,334.45	1,334.45	747.70	747.70	-	-
Interest Accrued on Deposit with Bank	0.34	0.34	0.08	0.08	-	-
Financial assets carried at Fair Value through Profit or Loss (FVTPL)						
Foreign currency forward contracts	2.06	2.06	-	-	-	-
Total	2,727.63	2,727.63	1,988.71	1,988.71	-	-
Financial liabilities						
Financial liabilities held at amortised cost						
Payables towards BTA (Refer Note 52)	197.18	197.18	81.31	81.31	-	-
Total	197.18	197.18	81.31	81.31	-	-

Note : The management assessed that Cash and Cash Equivalents, Trade receivables, Trade payables, Current Borrowings, Loans and Advances to Employees, Current Security Deposits, Current Retention Money receivables, Uncertified revenue from works contract, Employee related liabilities, Retention deposits payable, Current Payables towards BTA and liabilities for expenses approximate their carrying amounts largely due to the short-term maturities of these instruments.

Fair value hierarchy
The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the of the following three levels:
• Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
• Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
• Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.
The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

(Rs in Lakhs.)

Financial Assets	Level 1	Level 2	Level 3	Total
As at 31st March 2017				
Foreign currency forward contracts	-	2.06	-	2.06
Total	-	2.06	-	2.06
As at 31st March 2016				
Foreign currency forward contracts	-	-	-	-
Total	-	-	-	-
As at 1st April 2015				
Foreign currency forward contracts	-	-	-	-
Total	-	-	-	-

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41 Taxes

1 Deferred Tax

a 2016- 2017

Deferred tax assets/(liabilities) in relation to:

	Opening Balance	Recognised in Profit and Loss	Closing balance
Property, plant and equipment	(25.00)	(19.82)	(44.82)
Intangible assets	266.14	197.03	463.17
Trade Receivable	(25.44)	(19.97)	(45.41)
Defined benefit obligation	(1.02)	(11.76)	(12.78)
Total	**214.68**	**145.48**	**360.16**

b 2015-2016

Deferred tax assets/(liabilities) in relation to:

	Opening Balance	Recognised in Profit or loss	Recognised in Balance Sheet*	Closing balance
Property, plant and equipment	-	(25.00)		(25.00)
Intangible assets	-	229.54	36.60	266.14
Trade Receivable	-	(25.44)		(25.44)
Defined benefit obligation	-	(1.02)		(1.02)
Total	-	178.08	36.60	**214.68**

* Deferred tax liability related to Defined benefit obligation recognised in Balance sheet (Refer Note 52)

2 Income Tax

a Income tax recognised in Statement of Profit and Loss for the year

	As at March 31, 2017	As at March 31, 2016
Current tax		
In respect of the current year	230.01	310.17
In respect of prior years	10.82	-
	240.83	310.17
Deferred tax		
In respect of the current year	145.48	178.08
	145.48	178.08
Total income tax expense recognised in the current year relating to continuing operations	386.31	488.25

b The income tax expense for the year can be reconciled to the accounting profit as follows:

	As at March 31, 2017	As at March 31, 2016
Profit before tax from operations	997.88	1,574.17
	33.063%	33.063%
Income tax expense calculated	329.93	520.47
Effect of expenses that are not deductible in determining taxable profit	2.57	5.21
Effect of the Company being taxed at lower tax rate (minimum alternate tax) as the profits under tax laws are lower than the book profits	38.98	-
Others		(36.60)
	371.48	489.08
Adjustments recognised in the current year in relation to the current tax of prior years	10.82	
Income tax expense recognised in profit or loss	382.30	489.08

3 Income tax recognised in other comprehensive income

	As at March 31, 2017	As at March 31, 2016
Tax arising on income and expenses recognised in other comprehensive income:		
Re-measurement of defined benefit obligation	4.01	(0.83)
Total income tax recognised in other comprehensive income	4.01	(0.83)

42 Reconciliation of total equity as at March 31, 2016 and April 1, 2015

	Notes	As at March 31, 2016 (End of last period presented under previous GAAP)	As at April 1, 2015 (Date of transition)
Total equity (shareholders' funds) under previous GAAP		9,660.51	30.12
Goodwill is tested for impairment as per Ind AS	47 (a)	79.73	-
Changes in assessment method of Amortisation of Other Intangible Assets as per Ind AS	47 (b)	244.04	-
Deferred Tax impact	47 (d)	(131.55)	-
Total adjustment to equity		192.22	-
Total equity under Ind AS		9,852.73	30.12

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Notes forming part of the financial statements.

43 First-time Ind AS adoption reconciliations

Effect of Ind AS adoption on the balance sheet as at March 31, 2016 and April 1, 2015 (Rs in Lakhs.)

	Notes	As at March 31, 2016 (End of last period presented under previous GAAP)			As at April 1, 2015 (Date of transition)		
		Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
Non Current Assets							
(a) Property, Plant and Equipment		276.26	-	276.26	0.10	-	0.10
(b) Goodwill	47 (a)	432.87	79.73	512.60	-	-	-
(c) Other Intangible Assets	47 (b)	2,474.31	244.04	2,718.35	-	-	-
(d) Financial Assets							
(i) Investments		1,195.51	-	1,195.51	-	-	-
(iv) Other financial assets		793.20	-	793.20	-	-	-
(e) Income Tax Assets (net)		41.27	-	41.27	-	-	-
(f) Other Non-current Assets		1.98	-	1.98	-	-	-
Total Non Current Assets		5,215.40	323.77	5,539.17	0.10	-	0.10
Current Assets							
(a) Inventories		2,059.14	-	2,059.14	-	-	-
(b) Financial Assets							
(i) Trade Receivables		5,191.82	-	5,191.82	-	-	-
(ii) Cash and cash equivalents		89.03	-	89.03	31.03	-	31.03
(iii) Other financial assets		2,764.58	-	2,764.58	-	-	-
(c) Other Current Assets		300.94	-	300.94	14.66	-	14.66
Total Current Assets		10,405.51	-	10,405.51	45.69	-	45.69
Total Assets		15,620.91	323.77	15,944.68	45.79	-	45.79
Equity							
(a) Equity Share Capital		100.00	-	100.00	33.33	-	33.33
(b) Other Equity		9,560.51	192.22	9,752.73	- 3.21	-	- 3.21
Total Equity		9,660.51	192.22	9,852.73	30.12	-	30.12
Non Current Liabilities							
(a) Financial Liabilities							
(i) Other financial liabilities		81.31	-	81.31	-	-	-
(b) Provisions		109.47	-	109.47	-	-	-
(c) Deferred Tax Liabilities (net)	47 (d)	83.13	131.55	214.68	-	-	-
Total Non Current Liabilities		273.91	131.55	405.46	-	-	-
Current Liabilities							
(a) Financial Liabilities							
(i) Borrowings		211.79	-	211.79	-	-	-
(ii) Trade Payables		2,433.13	-	2,433.13	0.37	-	0.37
(iii) Others financial liabilities		1,201.27	-	1,201.27	-	-	-
(b) Other Current Liabilities		1,770.80	-	1,770.80	15.30	-	15.30
(c) Provisions		69.50	-	69.50	-	-	-
Total Current Liabilities		5,686.49	-	5,686.49	15.67	-	15.67
Total Liabilities		5,960.40	131.55	6,091.95	15.67	-	15.67
Total equity and liabilities		15,620.91	323.77	15,944.68	45.79	-	45.79

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44 Effect of Ind AS adoption on the statement of profit and loss for the year ended March 31, 2016.

(Rs in Lakhs.)

		Year ended March 31, 2016 (Latest period presented under previous GAAP)		
	Notes	Previous GAAP	Effect of transition to Ind AS	Ind AS
Revenue from Operations (Gross)		14,373.99	-	14,373.99
Other Income		87.45	-	87.45
Total Income (A)		**14,461.44**	-	**14,461.44**
Expenses				
Cost of Materials Consumed		6,650.10	-	6,650.10
Purchases of Stock-in-Trade (Traded goods)		218.80	-	218.80
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		(391.24)	-	(391.24)
Direct Man Power & Site Expenses		4,189.12	-	4,189.12
Employee Benefits Expense	47 (c)	1,578.16	4.19	1,582.35
Finance Costs		5.69	-	5.69
Depreciation and Amortization Expense	47 (a) & (b)	435.24	(287.17)	148.07
Other Expenses		484.38	-	484.38
Total Expenses (B)		**13,170.25**	**(282.98)**	**12,887.27**
Profit before Tax		**1,291.19**	**282.98**	**1,574.17**
Tax Expense				
Current Tax		311.00	(0.83)	310.17
Deferred Tax	47 (d)	83.13	94.95	178.08
Net Tax expense		394.13	94.12	488.25
Profit for the year		**897.06**	**188.86**	**1,085.92**
Other Comprehensive Income				
A (i) Items that will not be reclassified to profit or loss				
(a) Remeasurements of the defined benefit plans	47 (c)	-	4.19	4.19
A (ii) Income tax relating to items that will not be reclassified to profit or loss		-	(0.83)	(0.83)
Total other comprehensive income for the period [A (i-ii)]		-	**3.36**	**3.36**
Total Comprehensive Income for the period		**897.06**	**192.22**	**1,089.28**

45 Reconciliation of total comprehensive income for the year ended March 31, 2016

(Rs in Lakhs.)

	Notes	As at March 31, 2016 (Latest period presented under previous GAAP)
Profit as per previous GAAP		897.06
Adjustments:		
Remeasurement of defined benefit obligation recognised in other comprehensive income under Ind AS	47 (c)	(3.36)
Changes in Amortisation of goodwill and intangible asset under Ind AS	47 (a) & (b)	287.17
Deferred Tax impact there on	47 (d)	(94.95)
Total effect of transition to Ind AS		**188.86**
Profit for the year as per Ind AS		**1,085.92**
Other comprehensive income for the year (net of tax)	47 (c)	3.36
Total comprehensive income under Ind AS		**1,089.28**

Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP

46 Effect of IND AS adoption on the statement of cash flow for the year ended March 31, 2016

(Rs in Lakhs.)

	As at March 31, 2016 (Latest period presented under previous GAAP)		
	Previous GAAP	Effect of transition to IND AS	IND AS
Net Cash flows from Operating activities	(347.39)	-	(347.39)
Net Cash flows from Investing activities	(8,526.03)	-	(8,526.03)
Net Cash flows from Financing activities	8,931.42	-	8,931.42
Net increase /(decrease) in cash and cash equivalents	57.99	-	57.99
Cash and cash equivalents at the beginning of the period	31.03	-	31.03
Cash and cash equivalents at the end of the period	89.03	-	89.03

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47 Notes to the reconciliations

Goodwill

a Under previous GAAP, goodwill was amortised based on its useful life. Under Ind AS, goodwill is not amortised. On transitioning to Ind AS, amortisation expense pertaining to Goodwill has been reversed, resulting in an increase in carrying amount of Goodwill by Rs. 79.73 Lakhs as at March 31, 2016.

Other Intangibles

b Under previous GAAP, other intangible assets were amortised based on their useful life. Under Ind AS, the company has estimated the useful lives of Trademarks to be indefinite. On transitioning to Ind AS, amortisation expense pertaining to Trademarks have been reversed, resulting in an increase in carrying amount of Trademark by Rs. 244.04 Lakhs as at March 31, 2016.

Actuarial gains and losses

c Under previous GAAP, actuarial gains and losses were recognised in profit and loss. Under Ind AS, the actuarial gains and losses forming part of remeasurement of the net defined benefit liability / asset, are recognised in the other comprehensive income under Ind AS instead of profit or loss. The actuarial gains for the year ended March 31, 2016 were Rs. 4.19 Lakhs. This change does not effect total equity, but there is an increase in profit before tax of Rs. 4.19 Lakhs and in total profit of Rs. 3.36 Lakhs for the year ended March 31, 2016.

Deferred Tax impact

d Deferred tax impacts for the above adjustments, are a net increase in Deferred Tax Liabilities as at March 31, 2016 by Rs. 131.55 Lakhs.

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48 Disclosures required under Section 22 of Micro, Small and Medium Enterprise Development Act, 2006

(Rs in Lakhs.)

	As at March 31, 2017	As at March 31, 2016
(i) Principal amount remaining unpaid to any SME supplier as at the end of the accounting year	80.83	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0.76	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	0.76	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	0.76	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

The above information regarding dues to Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information collected with the Company. This has been relied upon by the auditors.

49 Details of Payments to Auditor

(Rs in Lakhs.)

	For the year ended March 31, 2017	For the year ended March 31, 2016
Audit fees	10.00	7.00
Other Services:		
Certification Fees	0.70	2.20
	10.70	9.20

50 Operating Lease

a) Operating lease payment (minimum lease payments) has been recognised in Statement of Profit and Loss under heading Rent under other expenses amounting to **Rs. 132.96 Lakhs** (Rs. 46.06 Lakhs)
b) General description of the leasing arrangement:
i) Leased Assets : Godowns and Office space.
ii) Future lease rentals are determined on the basis of agreed terms.
iii) At the expiry of the lease term, the Company has an option either to vacate the asset or extend the term by giving notice in writing.

The Company has entered into operating lease arrangements for certain facilities. The lease is non-cancellable for a period of 3 years and may be renewed for a further period based on mutual agreement of the parties.

Non cancellable operating lease commitments.

Future minimum lease payments	For the year ended March 31, 2017	For the year ended March 31, 2016 (Rs in Lakhs.)
not later than one year	73.80	73.80
later than one year and not later than five years	71.62	145.42
later than five years	-	-

51 Provision for Warranty expense

Provision for Warranty expense relates to warranty provision made in respect of waterproofing services, the estimated cost of which is accrued at the time of sale. The services are generally covered under a free warranty period from completion of work up to 10 years.
The movement of provision for warranty is as follows:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016 (Rs in Lakhs.)
Balance as at Beginning of the year		
Non Current	13.05	-
Current	1.45	-
	14.50	-
Addition	15.00	14.50
Utilisation	-	-
Reversal (withdrawn as no longer required)	-	-
Balance as at Closing of the year		
Non Current	25.10	13.05
Current	4.40	1.45
	29.50	14.50

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52 Note on Business Purchase Agreement

During the previous year, pursuant to a Business Transfer Agreement (BTA) entered into by the company with Nina Concrete Systems Private Limited (NCSPL), the company acquired the waterproofing Business (the "Business"), including all its assumed assets and assumed liabilities, of NCSPL, a private limited company based in India (the "Seller"), as a going concern and on a slump sale basis for a lump-sum consideration, with effect from April 17, 2015.
The terms and conditions of the BTA included a total purchase consideration of Rs 8,202.12 Lakhs, part of which was paid by the Company to the Seller on the date of the Transaction (the "Up-front Payment") amounting to Rs. 6,960.00 Lakhs, Rs 200.00 Lakhs paid in December 2015 and Rs. 418.87 Lakhs net paid till March 31, 2017. A balance amount of Rs 623.25 Lakhs (Holdback Amount) will be payable by the Company to the Seller progressively over a period of three years i.e. by April 16, 2018.
An amount of Net Working Capital, i.e. Receivables, Inventories, Retention Monies receivables, etc which would not have been fully realised with in a period of three year i.e. by April 16, 2018, shall be deducted by the Company from the Holdback amount payable to seller.
For funding the transaction, 666,666 equity shares of face value Rs. 10 each at a premium of Rs. 1,300 were issued and allotted on July 16, 2015.
As per BTA, all the employees as on the date of BTA were transferred to the Company on a continuous service basis.

In the above transaction an amount of Rs 365.29 Lakhs was paid towards goodwill, being the difference between purchase consideration and net assets acquired based on an independent valuation obtained in this regard, as detailed under:

	(Rs in Lakhs.)
Total Purchase Consideration (A)	8,202.13
Tangible Assets	287.63
Intangible Assets	2,625.08
Inventories	3,514.38
Trade Receivables	3,188.04
Retention Monies Receivable	1,532.64
Current Assets and Loans and Advances	91.25
Total Assets Acquired (B)	11,239.02
Current Liabilities	3,370.12
Employee Liabilities	32.06
Total Liabilities taken over (C)	3,402.18
(D) Net Assets Acquired (B) - (C)	7,836.84
Goodwill (E) = (A) - (D)	365.29
Gratuity Liability Assumed (F)*	110.71
Deferred Tax Liability there on (G)	36.60
Total Goodwill (E) + (F) + (G)	512.60

* Gratuity liability assumed represents gratuity payable to employees transferred to the company as at April 17, 2015 over and above the total purchase consideration, pursuant to the BTA.

53 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.
Since the Company has completed its third financial year as at March 31, 2017, the provision of Section 135 of the Companies Act, 2013 were not applicable till the previous year.

(a) Gross amount required to be spent by the company during the year is Rs. 15.25 Lakhs
(b) Amount spent during the year on:

(Rs in Lakhs.)

Sr. No.	Particulars	In cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above	15.25	-	15.25

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54 Disclosure on Specified bank notes (SBNs)

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 30, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

(Rs in Lakhs.)

Particulars		SBNs	Other denomination notes	Total
Closing cash in hand as at November 8, 2016		-	0.02	0.02
(+)	Permitted Receipts	-	2.24	2.24
(-)	Permitted Payments	-	1.86	1.86
(-)	Amount deposited in Bank	-	-	-
Closing cash in hand as at December 31, 2016		-	0.40	0.40

55 Subsidiary Company

During the year, the company had incorporated the wholly owned subsidiary Nina Lanka Construction Technologies Pvt Ltd in Srilanka.

In accordance with the exemption provided under Second Proviso to Rule 6 of the Companies (Accounts) Rules, 2014, as amended, since the Company fulfilled necessary criteria for the said exemption, the consolidated financial statements of the Company has not been prepared, for the financial year ended March 31, 2017.

56 Recent accounting pronouncements

(a) Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows'. The amendments are applicable to the Company from April 1, 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the aforesaid amendments and the effect on the financial statements is being evaluated.

57 Events after reporting period

There was no significant events after the end of the reporting period which require any adjustment or disclosure in the financial statement.

58 Approval of financial statements

The financial statements were approved for issue by the board of directors on May 4, 2017.

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