

KHANNA & PANCHMIA

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

**To the Members of
Percept Waterproofing Services Limited**

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Percept Waterproofing Services Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including Other comprehensive Income) and Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 Accounting Standards (Ind AS) specified 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of 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.

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

We conducted our audit of the 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 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 we have obtained 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 31st March, 2017, and its profit, total comprehensive income, its cash flows and changes in the equity for the year ended on that date.

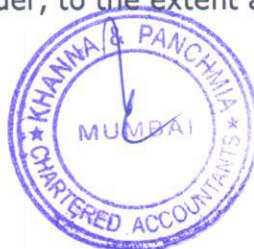
Other Matters

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 31st March, 2015 dated 08th May, 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 the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Government of India in terms of Section 143(11) of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



2. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, 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 Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial control 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.



- 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.

Place: Mumbai
Date: 4-5-2017



For Khanna & Panchmia
Chartered Accountants
Firm Reg. No. 136041W


Devendra Khanna
Partner

Membership No. 038987

Annexure "A" to the Independent Auditor's Report

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

- (i)
- a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) As explained to us, the fixed assets have been physically verified by the management in accordance with the phased programme of verification, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to information and explanation given to us, no material discrepancies were noticed on such verification.
 - c) As the Company does not have any immovable properties, Clause 3(i)(c) of the Order 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 such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Act. Accordingly, Clause 3 (iii) (a), (b) and (c) of the Order are not applicable and hence not commented upon.
- (iv) According to the information and explanations given to us, the Company has not granted any loans, made investment or provided guarantee. Hence, reporting under Clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits from the public. Accordingly, Clause 3(v) of the Order is not applicable.
- (vi) The Cost records prescribed under Section 148(1) of the Act is not applicable to the Company and hence Clause 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service tax, Custom duty, Excise duty, value added tax, cess and other statutory dues as applicable with the appropriate authorities. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Sales Tax, Service Tax, Customs Duty, Excise 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 become payable.



- (b) There were no dues which have not been deposited in respect of Income tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax on account of any dispute.
- (viii) In our opinion and according to information and explanation given to us, the Company has not defaulted in repayment of its loans and borrowings to financial institutions, bank, government or dues to debentures holders.
- (ix) In our opinion and according to information and explanation given to us, The Company has utilised the Term Loan for the purpose for which they were raised. The Company has not raised any money by way of initial Public Offer or further public offer during the year.
- (x) Based upon the audit procedures performed and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officer/employees has been noticed or reported during the year nor have we been informed about any such case by the Management.
- (xi) In our opinion and according to information and explanations given to us, the Company has paid/provided remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with schedule V of the Companies Act, 2013.
- (xii) As the Company is not Nidhi Company, the reporting under clause 3(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 3(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 persons connected with him 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-IA of the Reserve Bank of India Act, 1934.

Place: Mumbai
Date: 4-5-2017



For Khanna & Panchmia
Chartered Accountants
Firm Reg. No 136041W


Devendra Khanna
Partner

Membership No. 038987

Annexure "B" to the Independent Auditor's Report

(Referred to in Paragraph 2(f) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Percept Waterproofing Services 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of information and explanations given to us, the Company has, in all materials respects, an adequate internal financial controls system over financial reporting and such financial controls over financial reporting are 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.

Place: Mumbai
Date: 4-5-2017



For Khanna & Panchmia
Chartered Accountants
Firm Reg. No. 136041W


Devendra Khanna
Partner

Membership No. 038987

PERCEPT WATERPROOFING SERVICES LIMITED
Balance Sheet as at 31st March, 2017

(Amount in Rs.)

| Particulars | Note No. | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|------------------------------------|----------|--------------------------|--------------------------|-------------------------|
| ASSETS | | | | |
| 1. Non Current Assets | | | | |
| (a) Property, Plant and Equipment | 3 | 17,484,331 | 11,792,512 | 8,358,083 |
| (c) Other Intangible Assets | 4 | 31,333,649 | 34,422,817 | 37,985,486 |
| (d) Financial Assets | | | | |
| (i) Other financial assets | 5 | 22,269,993 | 16,196,892 | 7,702,265 |
| (e) Income Tax Asset | 6 | - | 5,448,667 | 2,590,318 |
| (f) Other Non Current Assets | 7 | - | - | - |
| | | 71,087,973 | 67,860,887 | 56,636,151 |
| 2. Current Assets | | | | |
| (a) Inventories | 8 | 47,601,634 | 54,155,920 | 43,434,886 |
| (b) Financial Assets | | | | |
| (i) Trade Receivables | 9 | 175,203,565 | 108,676,483 | 77,383,836 |
| (ii) Cash and Cash Equivalents | 10 | 88,634 | 49,129 | 74,969 |
| (iii) Loans | 11 | 3,102,514 | 3,208,190 | 1,400,056 |
| (iv) Other financial assets | 11 | 38,988,273 | 1,907,144 | 669,042 |
| (c) Other Current Assets | 12 | 3,521,063 | 5,557,153 | 6,312,820 |
| | | 268,505,682 | 173,554,019 | 129,275,610 |
| TOTAL | | 339,593,655 | 241,414,906 | 185,911,761 |
| EQUITY AND LIABILITIES | | | | |
| EQUITY | | | | |
| (a) Equity Share Capital | 13 | 60,000,000 | 60,000,000 | 60,000,000 |
| (b) Other Equity | 14 | 40,714,202 | 16,705,515 | 7,653,161 |
| | | 100,714,202 | 76,705,515 | 67,653,161 |
| LIABILITIES | | | | |
| 1. Non-Current liabilities | | | | |
| (a) Financial Liabilities | | | | |
| i) Borrowings | | - | - | - |
| ii) Other financial liabilities | | | | |
| (b) Provisions | 15 | 1,355,451 | 646,780 | - |
| (c) Deferred Tax Liabilities (net) | 16 | 4,683,784 | 3,381,842 | 2,700,199 |
| | | 6,039,234 | 4,028,622 | 2,700,199 |
| 2. Current liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | 17 | 58,270,271 | 30,704,551 | 29,719,361 |
| (ii) Trade Payables | 18 | 137,334,511 | 105,247,809 | 69,698,859 |
| (iii) Other financial liabilities | 19 | 27,193,849 | 12,068,722 | 9,163,626 |
| (c) Provisions | 20 | 4,064,816 | 1,823,508 | 49,924 |
| (b) Other Current Liabilities | 21 | 5,976,771 | 10,836,179 | 6,926,631 |
| | | 232,840,219 | 160,680,769 | 115,558,401 |
| TOTAL | | 339,593,655 | 241,414,906 | 185,911,761 |
| Significant accounting policies | 2 | | | |
| See accompanying notes forming | | | | |
| part of the financial statements | 1 to 45 | | | |

In terms of our Report attached
For Khanna & Panchmia
Chartered Accountants
Firm Reg No:136041W



Devendra Khanna
Membership No. 38987
Partner

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sudish M S

Sudish M S

Managing Director

Sanjay Bahadur

Sanjay Bahadur

Director

Uma Ramasubramaniam
Uma Ramasubramaniam
Company Secretary

Place: Mumbai

Date: 4th May, 2017

PERCEPT WATERPROOFING SERVICES LIMITED
Statement of Profit and Loss For The Period Ended 31st March, 2017

| Particulars | Note No. | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|---|----------|---------------------------------------|---------------------------------------|
| (Amount in Rs.) | | | |
| INCOME | | | |
| Revenue from Operations | 22 | 436,402,833 | 291,553,772 |
| Other Income | 23 | 350,034 | 110,748 |
| Total Income | | 436,752,867 | 291,664,519 |
| EXPENSES | | | |
| Cost of Materials Consumed | 24 | 225,856,231 | 155,052,303 |
| Purchases of Stock-in-Trade (Traded goods) | 25 | 26,546,029 | 24,599,600 |
| Changes in inventories of Work-in-Progress | 26 | 6,155,656 | (6,153,955) |
| Direct Man Power & Site Expenses | 27 | 63,313,613 | 45,631,701 |
| Employee Benefits Expense | 28 | 45,242,381 | 36,698,051 |
| Finance Costs | 29 | 5,239,585 | 3,774,281 |
| Depreciation and Amortization Expense | 30 | 5,094,889 | 4,681,817 |
| Other Expenses | 31 | 21,694,446 | 15,674,917 |
| Total Expenses | | 399,142,831 | 279,958,713 |
| Profit before Tax | | 37,610,036 | 11,705,806 |
| Tax Expense | | | |
| Current Tax expense | 32 | 12,183,653 | 2,753,533 |
| Deferred Tax | 32 | 1,301,942 | 681,643 |
| Short Provision for tax of last year | | | (762,168) |
| Net Tax expense | | 13,485,595 | 2,673,008 |
| Profit for the year | | 24,124,442 | 9,032,798 |
| Other Comprehensive Income | | | |
| (i) Items that will not be reclassified subsequently to Profit and Loss | | | - |
| Remeasurements of defined benefits plan | | 172,931 | 172,688 |
| (ii) Income Tax effect on above | | 57,176 | 53,533 |
| Total Other Comprehensive Income | | 115,755 | 119,155 |
| Total Comprehensive Income for the period | | 24,008,687 | 8,913,643 |
| Earnings per share | | | |
| Basic and Diluted | 35 | 4.02 | 1.51 |
| Face Value of Share | | 10.00 | 10.00 |
| Significant Accounting Policies | 2 | | |
| See accompanying notes forming part of the financial statements | 1 to 45 | | |

In terms of our Report attached

For Khanna & Panchmia
Chartered Accountants
Firm Reg.No:136041W



Devendra Khanna
Membership No. 38987
Partner



FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sudish M S **Sanjay Bahadur**

Managing Director

Director


Uma Ramasubramaniam
Company Secretary

Place: Mumbai

Date : 4th May, 2017

PERCEPT WATERPROOFING SERVICES LIMITED

STATEMENT OF CASH FLOW

(Amount in Rs.)

| Particulars | For the year ended 31st March, 2017 | | For the year ended 31st March, 2016 | |
|---|-------------------------------------|---------------------|-------------------------------------|--------------------|
| | | | | |
| A. Cash flow from operating activities | | | | |
| Net Profit/(Loss) before tax | | 37,610,036 | | 11,705,806 |
| <u>Adjustments for:</u> | | | | |
| Depreciation and amortization expense | 5,094,889 | | 4,681,817 | |
| Provision for employee benefits | (1,375,904) | | 1,559,333 | |
| Provision for warranty expense | 351,519 | | 374,065 | |
| Interest income | | | | |
| Unrealised foreign exchange loss | | | | |
| Net gain on sale of Current Investments | | | | |
| Provision for Doubtful Debts | 2,470,783 | | - | |
| Finance costs | 5,239,585 | | 3,774,281 | |
| | | 11,780,873 | | 10,389,497 |
| Operating profit / (Loss) before working capital changes | | 49,390,909 | | 22,095,303 |
| <u>Movement in working capital:</u> | | | | |
| <i>(Increase) / decrease in operating assets:</i> | | | | |
| Inventories | 6,554,286 | | (10,721,034) | |
| Trade receivables | (68,997,864) | | (31,292,647) | |
| Other financial Current assets | (37,081,129) | | (1,238,102) | |
| Other financial Non Current assets | (6,073,101) | | (8,494,627) | |
| Other Current Assets | 2,036,089 | | 755,668 | |
| Other non current assets | - | | - | |
| | | (103,561,719) | | (50,990,742) |
| <i>Increase / (decrease) in operating liabilities:</i> | | | | |
| Trade payables | 32,086,702 | | 35,548,950 | |
| Other Current Financial liabilities | 15,125,127 | | 2,905,096 | |
| Other Current Liabilities | (4,859,408) | | 3,909,548 | |
| Other Non Current Financial liabilities | 3,359,043 | | - | |
| | | 45,711,464 | | 42,363,594 |
| Cash generated from / (used in) operations | | (8,459,346) | | 13,468,154 |
| Net income tax paid | | (6,734,986) | | (4,849,714) |
| Net cash flow used in operating activities (A) | | (15,194,332) | | 8,618,441 |
| B. Cash flow from investing activities | | | | |
| Capital expenditure on fixed assets, including capital advances | (7,697,540) | | (4,414,866) | |
| Amount paid against BTA considerations (Refer Note 46) | - | | | |
| Profit on sale of investments | - | | | |
| Interest received | - | | | |
| Investment in Subsidiary Company | - | | | |
| Investment in Deposits | - | (7,697,540) | | (4,414,866) |
| Net cash flow used in investing activities (B) | | (7,697,540) | | (4,414,866) |
| C. Cash flow from financing activities | | | | |
| Net Proceeds from Issue of share capital | - | | | |
| Share issue expenses paid | - | | | |
| Net Proceeds from borrowings | 29,499,731 | | (146,818) | |
| Finance costs | (5,239,585) | | (3,774,281) | |
| | | 24,260,146 | | (3,921,100) |
| Net cash flow generated from financing activities (C) | | 24,260,146 | | (3,921,100) |
| Net increase in Cash and cash equivalents (A+B+C) | | 1,368,274 | | 282,475 |
| Cash and cash equivalents at the beginning of the year | | (3,582,875) | | (2,425,027) |
| Cash and cash equivalents at the end of the year | | (1,609,360) | | (3,582,875) |

In terms of our Report attached

For Khanna & Panchmia

Chartered Accountants

Firm Reg No:136041W




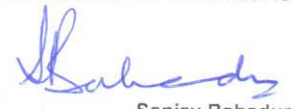
Devendra Khanna

Membership No. 38987

Partner



FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sudish M S

Sanjay Bahadur

Managing Director

Director



Uma Ramasubramaniam

Company Secretary

Place: Mumbai

Date : 4th May, 2017

PERCEPT WATERPROOFING SERVICES LIMITED
Notes forming part of financial statements.

1. Corporate information

Percept Waterproofing Service 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 11th Nov, 2012.

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 Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

Upto the period ended 31 March, 2016, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is 1 April, 2015.

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The financial statements are presented in full Indian Rupees.

2.2 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for rebates and other similar allowances.

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.

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.

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

2.3 Leasing

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.

The Company as lessee

Rental expense from operating leases is generally 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.

2.4 Foreign currencies

In preparing the financial statements transactions in currencies other than the entity's functional currency (foreign currencies) 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.



2.5 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.5.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period and the provisions of the Income Tax Act, 1961 and other tax laws, as applicable.

2.5.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.5.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.6 Property, plant and equipment

2.6.1 Property, plant and equipment acquired separately

Buildings, plant and machinery, vehicles, furniture and office equipments are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Capital Work in Progress includes cost of property, plant and equipment under installation/under development as follows:
Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost of such self-constructed item includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in profit or loss in the year of occurrence.

2.6.2 Depreciation

Depreciation is provided so as to write off the cost of assets (other than freehold land and Capital work in progress) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Based on the technical evaluation, the Company estimates useful lives of items of property, plant and equipment which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. Estimated useful lives of the property, plant and equipment are as follows:

- a) Furniture : 10 years.
- b) Office Equipments : 5 years.
- c) Plant & Machinery : 10 years.
- d) Computer & Accessories : 3 years.

2.7 Intangible assets

2.7.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the



effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated

2.7.2 Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows :

Computer software is 10 years

Non Compete Fee is 3 years

Trade marks has indefinite life

2.8 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).

If the recoverable amount of an 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.

2.9 Inventories

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

Cost of inventories is determined on weighted average. 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.

2.10 Provisions

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 not discounted to their present value and 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.

2.11 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual 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 immediately in profit or loss.

2.11.1 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 at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

2.11.2 Financial Liabilities

All financial liabilities are measured at amortised cost using effective interest method at the end of subsequent reporting periods. Interest expense is included in the Finance costs line item.

2.11.3 Derecognition of financial assets and liabilities

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

The Company derecognises financial liabilities when the Company's obligations are discharged, cancelled or have expired.



2.12 Cash and cash equivalents (for purposes of Cash Flow Statement)

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

2.13 Employee benefits

Employee benefits include Provident Fund, Employee State Insurance Scheme, Gratuity Fund, Compensated Absences, Anniversary Awards, Premature Death Pension Scheme and Total Disability Pension Scheme.

2.13.1 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.

2.13.2 Defined benefit plans

For defined 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 each balance sheet date. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest) 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. Past service cost is recognised immediately for both vested and the non-vested portion. The retirement benefit obligation recognised in the Consolidated Balance Sheet represents the present value of the defined benefit obligation, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited taking into account the present value of available refunds and reductions in future contributions to the schemes

2.13.3 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.

2.14 First-time adoption – mandatory exceptions, optional exemptions

Overall principle

The Company has prepared the opening balance sheet as per Ind AS 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 as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exceptions and certain optional exemptions availed by the Company detailed below

2.15 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialised.

The estimates and underlying assumptions are reviewed on an ongoing basis. The effect of change in an accounting estimate is recognised prospectively in the period of change, if the change affects that period only or in the period of the change and future periods if the change affects both current and future periods.



PERCEPT WATERPROOFING SERVICES LIMITED

Statement of changes in Equity for the year ended 31st March, 2017

| (Amount in Rs.) | |
|---|------------|
| | Amount |
| a. Equity Share Capital | |
| Balance at April 1, 2015 | 60,000,000 |
| Changes in equity share capital during the year | - |
| - Issue of equity shares during the year | 60,000,000 |
| Balance at March 31, 2016 | - |
| Changes in equity share capital during the year | 60,000,000 |
| Balance at March 31, 2017 | |

| | Reserves and Surplus | | Items of Other Comprehensive Income | Total |
|--|----------------------------|---|-------------------------------------|-------------------|
| | Securities Premium Account | Surplus in Statement of Profit and Loss | | |
| b. Other Equity | | | | |
| Balance at April 1, 2015 | | 7,653,161 | - | 7,653,161 |
| Profit for the year | | 9,032,798 | - | 9,032,798 |
| Add Prior Period adjustment on account of Depreciation | | 138,711 | - | 138,711 |
| Other comprehensive income for the year, net of income tax | | - | 119,155 | (119,155) |
| Balance at March 31, 2016 | | 16,824,670 | 119,155 | 16,705,515 |
| Profit for the year | | 24,124,442 | - | 24,124,442 |
| Other comprehensive income for the year, net of income tax | | - | 115,755 | (115,755) |
| Balance at March 31, 2017 | | 40,949,112 | 234,910 | 40,714,202 |



PERCEPT WATERPROOFING SERVICES LIMITED

Notes forming part of financial statements.

3. Property, plant and equipment and capital work-in-progress (Net Block)

| Carrying amounts of: | (Amount in Rs.) | |
|----------------------------------|-------------------|-------------------|
| | As at 31-03-2017 | As at 01-04-2015 |
| Building (Leasehold Improvement) | | |
| Plant & Machinery | 15,722,716 | 10,277,024 |
| Computer and Accessories | 693,202 | 519,915 |
| Furniture & Fixtures | 756,294 | 668,629 |
| Office Equipments | 312,120 | 326,944 |
| Total | 17,484,331 | 11,792,512 |

| Cost or deemed cost (Gross Block) | Plant & Machinery | Computer and Accessories | Furniture & Fixtures | Office Equipment | Total |
|-----------------------------------|-------------------|--------------------------|----------------------|------------------|------------|
| Balance at April 1, 2015 | 6,986,466 | 487,932 | 758,301 | 125,384 | 8,358,083 |
| Additions | 3,825,370 | 259,963 | | 76,800 | 4,162,133 |
| Balance at March 31, 2016 | 10,811,836 | 747,895 | 758,301 | 202,184 | 12,520,216 |
| Additions | 6,975,374 | 522,122 | 177,295 | 22,749 | 7,697,540 |
| Balance at March 31, 2017 | 17,787,210 | 1,270,017 | 935,596 | 224,933 | 20,217,756 |

| Accumulated depreciation | Plant & Machinery | Computer and Accessories | Furniture & Fixtures | Office Equipment | Total |
|---------------------------|-------------------|--------------------------|----------------------|------------------|-----------|
| Balance at April 1, 2015 | | | | | |
| Depreciation expense | 534,812 | 227,980 | 89,672 | (124,760) | 727,704 |
| Balance at March 31, 2016 | 534,812 | 227,980 | 89,672 | (124,760) | 727,704 |
| Depreciation expense | 1,529,683 | 348,835 | 89,630 | 37,573 | 2,005,721 |
| Balance at March 31, 2017 | 2,064,495 | 576,815 | 179,302 | (87,187) | 2,733,425 |

| Carrying amount (Net Block) | Plant & Machinery | Computer and Accessories | Furniture & Fixtures | Office Equipment | Total |
|-----------------------------|-------------------|--------------------------|----------------------|------------------|------------|
| Balance at April 1, 2015 | 6,986,466 | 487,932 | 758,301 | 125,384 | 8,358,083 |
| Additions | 3,825,370 | 259,963 | | 76,800 | 4,162,133 |
| Depreciation expense | 534,812 | 227,980 | 89,672 | (124,760) | 727,704 |
| Balance at March 31, 2016 | 10,277,024 | 519,915 | 668,629 | 326,944 | 11,792,512 |
| Additions | 6,975,374 | 522,122 | 177,295 | 22,749 | 7,697,540 |
| Depreciation expense | 1,529,683 | 348,835 | 89,630 | 37,573 | 2,005,721 |
| Balance at March 31, 2017 | 15,722,716 | 693,202 | 756,294 | 312,120 | 17,484,331 |



PERCEPT WATERPROOFING SERVICES LIMITED
Notes forming part of financial statements.

4. Other Intangible assets

| Carrying amounts of : (Net block) | As at 31-03-2017 | As at 31-03-2016 | As at 01-04-2015 |
|-----------------------------------|-------------------|-------------------|-------------------|
| Trademark | 31,068,088 | 31,068,088 | 31,068,088 |
| Non Compete | 1 | 3,048,322 | 6,793,280 |
| Computer Software | 265,560 | 306,406 | 124,117 |
| Total | 31,333,649 | 34,422,817 | 37,985,486 |

| Cost or deemed cost (Gross block) | Trademark | Non Compete | Computer Software | Total |
|-----------------------------------|------------|-------------|-------------------|------------|
| Balance at April 1, 2015 | 31,068,088 | 6,793,280 | 124,117 | 37,985,486 |
| Additions | | | 252,742 | 252,742 |
| Balance at March 31, 2016 | 31,068,088 | 6,793,280 | 376,859 | 38,238,228 |
| Addition / Deletion | - | - | | - |
| Balance at March 31, 2017 | 31,068,088 | 6,793,280 | 376,859 | 38,238,228 |

| Accumulated amortisation and impairment | Trademark | Non Compete | Computer Software | Total |
|---|-----------|-------------|-------------------|-----------|
| Balance at April 1, 2015 | | | | |
| Amortisation expense | | 3,744,958 | 70,453 | 3,815,411 |
| Balance at March 31, 2016 | | 3,744,958 | 70,453 | 3,815,411 |
| Amortisation expense | | 3,048,322 | 40,847 | 3,089,168 |
| Balance at March 31, 2017 | | 6,793,280 | 111,300 | 6,904,579 |

| Carrying amount (Net Block) | Trademark | Non Compete | Computer Software | Total |
|-----------------------------|------------|-------------|-------------------|------------|
| Balance at April 1, 2015 | 31,068,088 | 6,793,280 | 124,117 | 37,985,486 |
| Additions | - | - | 252,742 | 252,742 |
| Amortisation expense | - | 3,744,958 | 70,453 | 3,815,411 |
| Balance at March 31, 2016 | 31,068,088 | 3,048,322 | 306,406 | 34,422,817 |
| Amortisation expense | - | 3,048,322 | 40,847 | 3,089,168 |
| Balance at March 31, 2017 | 31,068,088 | 1 | 265,560 | 31,333,649 |



PERCEPT WATERPROOFING SERVICES LIMITED
Notes forming part of financial statements.

5. Other Non Current Financial Assets

| | | | | (Amount in Rs.) | | |
|---------------------------------------|--|-------------------|-------------------|------------------|--|-----------|
| | | As at | As at | As at | | |
| | | 31st March 2017 | 31st March 2016 | 1st April 2015 | | |
| Unsecured, considered good | | | | | | |
| Fixed Deposits with Bank (Under Lien) | | | | | | 2,622,510 |
| Interest Accrued on Deposit with Bank | | | | | | 33,602 |
| Retention Monies Receivable | | | | | | 5,046,153 |
| TOTAL | | 22,269,993 | 16,196,892 | 5,046,153 | | |
| | | 22,269,993 | 16,196,892 | 7,702,265 | | |

6. Income Tax Assets

| | | | | (Amount in Rs.) | | |
|--|--|-----------------|------------------|------------------|--|--|
| | | As at | As at | As at | | |
| | | 31st March 2017 | 31st March 2016 | 1st April 2015 | | |
| Unsecured, considered good | | | | | | |
| Advance Income Tax (Net of Provisions) | | - | 5,448,667 | 2,590,318 | | |
| TOTAL | | - | 5,448,667 | 2,590,318 | | |
| | | - | 5,448,667 | 2,590,318 | | |

8. Inventories (At lower of cost and net realizable value)

| | | | | (Amount in Rs.) | | |
|--------------------------|--|-------------------|-------------------|-------------------|--|--|
| | | As at | As at | As at | | |
| | | 31st March 2017 | 31st March 2016 | 1st April 2015 | | |
| Stock of Material | | | | | | |
| | | 43,268,338 | 43,666,968 | 39,099,890 | | |
| Work-in-Progress | | | | | | |
| | | 4,333,295 | 10,488,951 | 4,334,996 | | |
| TOTAL | | 47,601,634 | 54,155,920 | 43,434,886 | | |
| | | 47,601,634 | 54,155,920 | 43,434,886 | | |

9. Trade Receivables

| | | | | (Amount in Rs.) | | |
|--|--|--------------------|--------------------|-------------------|--|--|
| | | As at | As at | As at | | |
| | | 31st March 2017 | 31st March 2016 | 1st April 2015 | | |
| Current | | | | | | |
| Unsecured, considered good | | | | | | |
| Considered doubtful | | 175,203,565 | 108,676,483 | 77,383,836 | | |
| | | 2,470,783 | | | | |
| Less: Provision for doubtful receivables | | 177,674,348 | 108,676,483 | 77,383,836 | | |
| | | 2,470,783 | | | | |
| Total | | 175,203,565 | 108,676,483 | 77,383,836 | | |
| | | 175,203,565 | 108,676,483 | 77,383,836 | | |

The average credit period on sales of goods is 90 days. No interest is charged on trade receivables.

10. Cash and Cash Equivalents

| | | | | (Amount in Rs.) | | |
|--|--|--------------------|--------------------|--------------------|--|--|
| | | As at | As at | As at | | |
| | | 31st March 2017 | 31st March 2016 | 1st April 2015 | | |
| Cash on Hand | | | | | | |
| | | 76,726 | 49,129 | 74,969 | | |
| Balances with banks | | | | | | |
| In Current Account | | 11,908 | | | | |
| TOTAL | | 88,634 | 49,129 | 74,969 | | |
| | | 88,634 | 49,129 | 74,969 | | |
| Bank Overdraft | | | | | | |
| | | (1,697,994) | (3,632,004) | (2,499,996) | | |
| Cash and cash equivalents as per Statement of Cash Flow | | | | | | |
| | | (1,609,360) | (3,582,875) | (2,425,027) | | |
| | | (1,609,360) | (3,582,875) | (2,425,027) | | |

11. Other Current Financial Assets

| | | | | (Amount in Rs.) | | |
|---|--|-------------------|------------------|------------------|--|--|
| | | As at | As at | As at | | |
| | | 31st March 2017 | 31st March 2016 | 1st April 2015 | | |
| Loans - Current | | | | | | |
| Security deposits | | 2,318,400 | 2,299,900 | 1,177,400 | | |
| Loans and Advances to Employees | | 784,114 | 908,290 | 222,656 | | |
| | | 3,102,514 | 3,208,190 | 1,400,056 | | |
| Other financial assets | | | | | | |
| Uncertified Revenue from Works Contract | | 38,988,273 | 1,907,144 | 669,042 | | |
| TOTAL | | 38,988,273 | 1,907,144 | 669,042 | | |
| | | 38,988,273 | 1,907,144 | 669,042 | | |
| Loans and Advances to Employees | | | | | | |
| | | | | | | |

12. Other Current Assets

| | | | | (Amount in Rs.) | | |
|--------------------------------------|--|------------------|------------------|------------------|--|--|
| | | As at | As at | As at | | |
| | | 31st March 2017 | 31st March 2016 | 1st April 2015 | | |
| Unsecured, considered good | | | | | | |
| Advances to vendors | | 1,059,157 | 495,979 | 2,731,771 | | |
| Prepaid Expenses | | 198,954 | 166,137 | - | | |
| Balances with Government Authorities | | 2,262,952 | 4,895,037 | 3,581,049 | | |
| TOTAL | | 3,521,063 | 5,557,153 | 6,312,820 | | |
| | | 3,521,063 | 5,557,153 | 6,312,820 | | |



13. Equity Share Capital

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|--|--------------------------|--------------------------|-------------------------|
| Equity Share Capital | 60,000,000 | 60,000,000 | 60,000,000 |
| Authorised Capital: | | | |
| 1,00,00,000 (1,00,00,000) shares of 10 each | 100,000,000 | 100,000,000 | 100,000,000 |
| Issued, Subscribed and Paid up Capital: | | | |
| 60,000,000 (60,00,000) shares of 10 each | 60,000,000 | 60,000,000 | 60,000,000 |
| TOTAL | 60,000,000 | 60,000,000 | 60,000,000 |

(Amount in Rs.)

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

| | As at 31st March 2017 | | As at 31st March 2016 | | As at 1st April 2015 | |
|---|--------------------------|------------|--------------------------|------------|-------------------------|------------|
| | Number of Shares | Rs. | Number of Shares | Rs. | Number of Shares | Rs. |
| Equity Shares | | | | | | |
| Shares outstanding at the beginning of the year | 6,000,000 | 60,000,000 | 6,000,000 | 60,000,000 | 6,000,000 | 60,000,000 |
| Shares issued during the year | | | | | | |
| Shares outstanding at the end of the year | 6,000,000 | 60,000,000 | 6,000,000 | 60,000,000 | 6,000,000 | 60,000,000 |

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 shareholder are in proportion to its share of the paid-up equity capital of the company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. 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 31st March 2017 | | As at 31st March 2016 | | As at 1st April 2015 | |
|---|-----------------------|--------------|-----------------------|--------------|----------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| M.S Sudish | 1,200,000 | 20% | 1,200,000 | 20% | 1,200,000 | 20% |
| Pidilite Industries Ltd (Holding Company) | 4,800,000 | 80% | 4,800,000 | 80% | 4,800,000 | 80% |

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

14. Other Equity

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|--------------------------|--------------------------|-------------------------|
| Surplus / (Deficit) in Statement of Profit and Loss | | | |
| Balance as per last financial statements | 16,705,515 | 7,653,161 | (17,461) |
| Add: Prior Period Adjustment on account of Depreciation | 24,008,687 | 138,711 | 7,670,622 |
| Add: Profit / (Loss) for the year | 40,714,202 | 16,705,515 | 7,653,161 |
| Closing Balance | 40,714,202 | 16,705,515 | 7,653,161 |
| TOTAL | 40,714,202 | 16,705,515 | 7,653,161 |

(Amount in Rs.)



PERCEPT WATERPROOFING SERVICES LIMITED

Notes forming part of financial statements.

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 | (Amount in Rs.) |
|--|--------------------------|--------------------------|-------------------------|-----------------|
| 15 Non Current Provisions | | | | |
| Provision for Employee Benefits | | | | |
| Gratuity | 629,866 | 272,715 | | |
| Provision for Warranty Expense | 725,585 | 374,065 | | |
| TOTAL | 1,355,451 | 646,780 | | |
| 16 Deferred Tax Liabilities (Net) | | | | (Amount in Rs.) |
| Tax effect of items constituting Deferred Tax Liabilities | | | | |
| Tax effect of items constituting Deferred Tax Assets | 5,874,230 | 4,017,041 | 2,700,199 | |
| | (1,150,446) | (634,890) | | |
| TOTAL | 4,683,784 | 3,382,151 | 2,700,199 | |
| 17 Current Borrowings | | | | (Amount in Rs.) |
| Secured - at amortised cost | | | | |
| Loans repayable on demand from Bank - (Refer Note (i) below) | | | | |
| Working Capital Demand Loan | 56,572,277 | 27,072,547 | 27,219,365 | |
| Bank Overdraft | 1,697,994 | 3,632,004 | 2,499,996 | |
| TOTAL | 58,270,271 | 30,704,551 | 29,719,361 | |
| 18 Trade Payables | | | | (Amount in Rs.) |
| Trade Payables | | | | |
| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 | |
| | 137,334,511 | 105,247,810 | 69,698,859 | |
| | 137,334,511 | 105,247,810 | 69,698,859 | |
| TOTAL | 0.00 | 169,889 | 1,809,093 | |
| 19 Other Current Financials Liabilities | | | | (Amount in Rs.) |
| Statutory Remittances | | | | |
| Employee related Liabilities | 5,849,053 | 833,455 | 550,598 | |
| Retention Deposits Payable | 3,607,821 | 4,736,972 | 3,079,584 | |
| Accrued Liabilities for Expenses | 3,376,342 | 2,771,457 | 662,374 | |
| | 14,360,633 | 3,726,898 | 4,871,070 | |
| TOTAL | 27,193,849 | 12,068,722 | 9,163,626 | |
| 20 Current Provisions | | | | (Amount in Rs.) |
| Provision for Employee Benefits | | | | |
| Gratuity | 1,990 | 926 | 49,924 | |
| Compensated absences | 577,072 | 1,781,019 | | |
| Provision for Warranty Expense | 126,801 | 41,563 | | |
| Provision for Tax (Net of Advance Tax) | 3,359,043 | | | |
| TOTAL | 4,064,816 | 1,823,508 | 49,924 | |
| 21 Other Current Liabilities | | | | (Amount in Rs.) |
| Advance from customers | | | | |
| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 | |
| | 5,976,771 | 10,836,178 | 8,926,631 | |
| TOTAL | 5,976,771 | 10,836,178 | 8,926,631 | |



PERCEPT WATERPROOFING SERVICES LIMITED
Notes forming part of financial statements.

22. Revenue From Operations

| | | (Amount in Rs.) | |
|---|--------------|---------------------------------------|---------------------------------------|
| | | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
| Sales of Products | | | |
| Trading | | 32,278,613 | 29,998,481 |
| Sale of Services | | | |
| Certified Revenue from Works Contract | | 365,135,947 | 259,648,146 |
| Uncertified Revenue from Works Contract | | 38,988,273 | 1,907,144 |
| | TOTAL | 436,402,833 | 291,553,772 |

23. Other Income

| | | (Amount in Rs.) | |
|--|--------------|---------------------------------------|---------------------------------------|
| | | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
| Interest on: | | | |
| Bank Deposits | | | 110,748 |
| Gain loss on foreign currency transactions and translation | | 160,999 | - |
| Other non-operating Income: | | | |
| Insurance claim received | | | |
| Interest on Income Tax refund | | | |
| | TOTAL | 189,035 | 110,748 |
| | | 350,034 | 110,748 |

24. Cost of Materials Consumed

| | | (Amount in Rs.) | |
|--|--------------|---------------------------------------|---------------------------------------|
| | | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
| Inventory at the beginning of the year | | 43,666,968 | 39,099,890 |
| Add : Purchases (Chemicals as per BTA refer note 46) | | | |
| Add : Purchases (Chemicals) | | 225,457,601 | 159,619,380 |
| | | 269,124,569 | 198,719,270 |
| Less : Inventory at the end of the year | | 43,268,338 | 43,666,968 |
| | TOTAL | 225,856,231 | 155,052,303 |

25. Purchases of Stock in Trade (Traded goods)

| | | (Amount in Rs.) | |
|-----------|--------------|---------------------------------------|---------------------------------------|
| | | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
| Chemicals | | 26,546,029 | 24,599,600 |
| | TOTAL | 26,546,029 | 24,599,600 |

26. Change in Inventories of Work in Progress

| | | (Amount in Rs.) | |
|--------------------------------------|--------------|---------------------------------------|---------------------------------------|
| | | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
| Inventories at end of the year | | | |
| Work-in-Progress | | 4,333,295 | 10,488,951 |
| | (A) | 4,333,295 | 10,488,951 |
| Inventories at beginning of the year | | | |
| Work-in-Progress | | 10,488,951 | 4,334,996 |
| | (B) | 10,488,951 | 4,334,996 |
| | TOTAL | 6,155,656 | (6,153,955) |

27. Direct Man Power & Site Expenses

| | | (Amount in Rs.) | |
|-----------------------------|--------------|---------------------------------------|---------------------------------------|
| | | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
| Manpower Cost at Sites | | 50,341,435 | 35,254,559 |
| Site Establishment Expenses | | 12,972,178 | 10,377,142 |
| | TOTAL | 63,313,613 | 45,631,701 |

28. Employee Benefits Expense

| | | (Amount in Rs.) | |
|---|--------------|---------------------------------------|---------------------------------------|
| | | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
| Salaries and Wages | | 43,825,960 | 35,001,664 |
| Contribution to Provident and Other Funds | | 1,313,735 | 975,200 |
| Gratuity Expense | | 171,957 | (221,686) |
| Staff Welfare Expenses | | 274,643 | 942,873 |
| | TOTAL | 45,242,381 | 36,698,051 |



PERCEPT WATERPROOFING SERVICES LIMITED

Notes forming part of financial statements.

29. Finance Costs

| | | (Amount in Rs.) | |
|---------------------------|--|---------------------------------------|---------------------------------------|
| | | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
| Interest expense on: | | | |
| Bank overdrafts and loans | | 5,239,585 | 3,774,281 |
| TOTAL | | 5,239,585 | 3,774,281 |

30. Depreciation and Amortization Expense

| | | (Amount in Rs.) | |
|--|--|---------------------------------------|---------------------------------------|
| | | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
| Depreciation on Tangible Assets (Refer Note 3) | | 2,005,721 | 875,400 |
| Amortisation on Intangible Assets (Refer Note 4) | | 3,089,168 | 3,806,417 |
| TOTAL | | 5,094,889 | 4,681,817 |

31. Other Expenses

| | | (Amount in Rs.) | |
|---|--|---------------------------------------|---------------------------------------|
| | | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
| Rent | | 2,779,179 | 2,168,303 |
| Insurance | | 720,904 | 651,581 |
| Repairs & Maintenance Expenses | | 608,892 | 369,106 |
| Electricity Expenses | | 612,552 | 141,338 |
| Advertisement and Publicity | | 367,915 | 766,136 |
| Legal, Professional and Consultancy fees | | 1,482,830 | 1,229,739 |
| Communication Expenses | | 233,416 | 87,624 |
| Printing and Stationery | | 1,097,080 | 718,953 |
| Travelling and Conveyance Expenses | | 4,907,211 | 4,613,047 |
| Rates & Taxes Paid | | 198,700 | 384,574 |
| Provision for Warranty Expenses (Refer Note 45) | | 436,758 | 415,628 |
| Provision for Doubtful Debts | | 2,470,783 | - |
| Payments to Auditor (Refer Note 43) | | 208,297 | 264,910 |
| Bank Charges | | 489,835 | 217,935 |
| Net loss on foreign currency transactions and translation | | 0 | 291,526 |
| Miscellaneous expenses | | 5,080,092 | 3,354,517 |
| TOTAL | | 21,694,446 | 15,674,917 |



32 Taxes

1 Deferred Tax

a 2016- 2017

Deferred tax assets/(liabilities) in relation to:

| | Opening Balance | Recognised in Profit and Loss | Recognised in other Comprehensive Income | Closing balance |
|------------------------------|------------------|-------------------------------|--|------------------|
| Fixed Assets | | | | |
| Provision for doubtful debts | 4,016,732 | 1,483,967 | | 5,500,699 |
| Total | 3,381,842 | 1,301,942 | - | 4,683,784 |

b 2015-2016

Deferred tax assets/(liabilities) in relation to:

| | Opening Balance | Recognised in Profit or loss | Recognised in other Comprehensive Income | Closing balance |
|---------------------------------------|---------------------|------------------------------|--|------------------|
| Fixed Assets | | | | |
| Provision for doubtful debts & Others | 2,700,199.00 | 1,316,533 | | 4,016,732 |
| Total | 2,700,199.00 | 681,643 | - | 3,381,842 |

2 Income taxes relating to continuing operations

a Income tax recognised in profit or loss Year

| | As at March 31, 2017 | As at March 31, 2016 |
|--|----------------------|----------------------|
| Current tax | | |
| In respect of the current year | 12,183,653 | 2,753,533 |
| In respect of prior years | 0 | (762,168) |
| | 12,183,653 | 1,991,365 |
| Deferred tax | | |
| In respect of the current year | 1,301,942 | 681,643 |
| | 1,301,942 | 681,643 |
| Total income tax expense recognised in the current year relating to continuing operations | 13,485,595 | 2,673,008 |

The income tax expense for the year can be

b reconciled to the accounting profit as follows:

| | As at March 31, 2017 | As at March 31, 2016 |
|--|----------------------|----------------------|
| Profit before tax from operations | 37,610,036 | 11,705,806 |
| Income tax expense calculated | 33.063% | 33.063% |
| Effect of expenses that are not deductible in determining taxable profit | 12,435,006 | 3,870,291 |
| Others | 537,264 | 662,826 |
| | 513,324 | (1,097,941) |
| | 13,485,594 | 3,435,176 |
| Adjustments recognised in the current year in relation to the current tax of prior years | | (762,168) |
| Income tax expense recognised in profit or loss (relating to continuing operations) | 13,485,594 | 2,673,008 |



PERCEPT WATERPROOFING SERVICES LIMITED

Notes forming part of financial statements.

33 Contingent Liabilities and Commitments

| | | (Amount in Rs.) | |
|-----|--|-------------------|------------------|
| | | As at | As at |
| | | 31st March, 2017 | 31st March, 2016 |
| A) | Contingent liabilities not provided for: | | |
| | Guarantees given by Banks in favour of others | | |
| B) | Commitments: | 79,201,096 | 41,078,230 |
| (a) | Estimated amount of contracts, net of advances, remaining to be executed on capital account and not provided for | | |
| (b) | Other Commitments - Non Cancellable Operating Leases (Refer Note 37) | Nil | Nil |
| 34. | Segment information | Nil | Nil |

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

35. Earnings Per Share (EPS)

The following reflects the Profit and Share data used in the Basic and Diluted EPS computations:

| | | (Amount in Rs.) | |
|--|--|-----------------|-----------------|
| | | As at | As at |
| | | 31st March 2017 | 31st March 2016 |
| Basic and Diluted: | | | |
| Total Operations for the year / period | | | |
| Profit for the year | | | |
| Weighted average number of equity shares for calculating basic and diluted EPS | | 24,124,442 | 9,032,798 |
| Par value per share | | 6,000,000 | 6,000,000 |
| Earning per share (Basic and Diluted) | | 10.00 | 10.00 |
| | | 4.02 | 1.51 |

36. Related Party Transactions

List of Related Parties

(i) Holding Company

Pidilite Industries Ltd

Holding Company

(ii) Subsidiary Company

Nil

(iii) Key Management Personnel

- a. Sudish M S
- b. Uma Ramasubramaniam

Managing Director
Company Secretary

(iv) Significant influence by Holding Company / Director of the Company

- a. NINA Waterproofing Services Pvt Ltd
- b. Percept Engineers Private Ltd.
- c. Hybrid Coatings.

Significant influence of Holding Company
Enterprise on which Key Management having significant influence
Holding Company is having a significant influence

Transactions with Related Parties for the year ended 31st March, 2016 are as follows :

| | | (Amount in Rs.) | | | | |
|-----------------------|---|---------------------------|-------------------------|---------------------------|------------------------------------|-----------------|
| Nature of Transaction | | Remuneration to Directors | Pidilite Industries Ltd | Percept Engineers Pvt Ltd | Nina Waterproofing Systems Pvt Ltd | Hybrid Coatings |
| | | | | | | |
| a | Sales /Works Contact income | | - | 134,221 | | - |
| b | Business Purchase | | (305,061) | (5,415,827) | (5,772,407) | - |
| c | Purchases and Other Services | | 182,066,925 | - | 662,677 | - |
| d | Remuneration to Directors: Managing Director | 8,946,084 (6,781,872) | (130,011,069) | - | - | (10,000) |
| e | Outstanding Balances | | | | | |
| | - Debtors including advances | | | 2,526,372 | 77,071 | - |
| | - Creditors | | 119,085,894 | (4,012,291) | - | - |
| | - Net Receivable/(Payable) | | (81,560,850) | - | 674,923 | (10,000) |

Figures in bracket indicates previous year's figures



Employee Benefits

General description of defined benefit plans

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act or the Company scheme applicable to the employee. 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

| Particulars | 31st March 2017 | 31st March 2016 |
|--|-----------------|-----------------|
| Change in the present value of defined benefit obligation | | |
| 1 Present value of defined benefit obligation at the beginning of the year | 273,637.00 | 49,924.00 |
| 2 Obligation as per BTA | 164,983.00 | 47,156.00 |
| 3 Current service cost | 20,215.00 | 3,869.00 |
| 4 Interest cost/income | - | - |
| 5 Remeasurements (gains)/ losses included in OCI | - | 119,760.00 |
| Actuarial (gains)/ losses arising from changes in demographic assumption | - | 6,261.00 |
| Actuarial (gains)/ losses arising from changes in financial assumption | 22,238 | 6,261.00 |
| 6 Past Service cost | 150,693.00 | 46,667.00 |
| 7 Benefits paid | 0 | 0 |
| 8 Present value of defined benefit obligation at the end of the year | 631,766.00 | 273,637.00 |

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 | 631,766.00 | 273,637.00 |
| 2 Fair value of plan assets as at 31st March | - | - |
| 3 Surplus/(Deficit) | 631,766.00 | 273,637.00 |
| 4 Current portion of the above | 1,900.00 | 922.00 |
| 5 Non current portion of the above | 629,866.00 | 272,715.00 |

Actuarial assumptions

| | | |
|---------------------|------|------|
| 1 Discount rate | 7.4% | 6.8% |
| 2 Attrition rate | 21% | 21% |
| 3 Salary Escalation | 6.5% | 6.5% |

Expense recognised in the Statement of Profit and Loss for the year ended

| | | |
|--|------------|-----------|
| 1 Current service cost | 164,983.00 | 47,156.00 |
| 2 Interest cost on benefit obligation (Net) | 20,215.00 | 3,869.00 |
| 3 Total expenses included in employee benefits expense | 185,198.00 | 51,025.00 |

Recognised in other comprehensive income for the year

| | | |
|--|------------|------------|
| 1 Actuarial (gains)/ losses arising from changes in demographic assumption | - | 119,760.00 |
| 2 Actuarial (gains)/ losses arising from changes in financial assumption | 22,238.00 | 6,261.00 |
| 3 Actuarial (gains)/ losses arising from changes in experience adjustment | 150,693.00 | 46,667.00 |
| 4 Return on plan asset | - | - |
| 5 Recognised in other comprehensive income | 172,931.00 | - |



Notes forming part of financial statements.

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

| | (Amount in Rs.) | |
|--|--|--|
| | For the year ended 31st March, 2017 | For the year ended 31st March, 2016 |
| (i) Principal amount remaining unpaid to any SME supplier as at the end of the accounting year | | |
| (ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year | | 169,889 |
| (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 | | |
| (v) The amount of interest accrued and remaining unpaid at the end of the accounting year | | |
| (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 | | |
| TOTAL | | 169,889.00 |

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.

39. Details of Payments to Auditor

| | (Amount in Rs.) | |
|--------------------|--|--|
| | For the year ended 31st March, 2017 | For the year ended 31st March, 2016 |
| Audit fees | | |
| Tax Audit Fee | 150,000 | 229,000 |
| Other Services: | 50,000 | |
| Certification Fees | | |
| | 8,297 | 35,910 |
| | 208,297 | 264,910 |

40. 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 | (Amount in Rs.) | |
|--|--|--|
| | For the year ended 31st March, 2017 | For the year ended 31st March, 2016 |
| Balance as at Beginning of the year | | |
| Non Current | 415,628 | - |
| Current | 374,065 | - |
| | 41,563 | - |
| Addition | | |
| Utilisation | 436,758 | 415,628.00 |
| Reversal (withdrawn as no longer required) | | |
| Balance as at Closing of the year | | |
| Non Current | 852,386 | 415,628.00 |
| Current | 725,585 | 374,065.20 |
| | 126,801 | 41,562.80 |

41. 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 31, 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:

| Particulars | SBNs | Other denomination n | (Amount in Rs.) |
|---|------|----------------------|-----------------|
| | | | Total |
| Closing cash in hand as at 8th November 2016 | - | 68,496 | 68,496 |
| (+) Permitted Receipts | - | 193,736 | 193,736 |
| (-) Permitted Payments | - | 240,757 | 240,757 |
| (-) Amount deposited in Bank | - | - | - |
| Closing cash in hand as at 31st December 2016 | - | 21,475 | 21,475 |

41. Events after reporting period

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

At the Company board of directors meeting held on 4th May, 2017, It was decided the company would merge the business of Percept Waterproofing Systems Pvt Ltd.

42. Approval of financial statements

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



42 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 17 offset by cash and bank balances in note 10) and total equity of the Company.

Gearing ratio

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

| | As at 31/03/2017 | As at 31/03/2016 | As at 01/04/2015 |
|---------------------------|------------------|------------------|------------------|
| Debts | 58,270,271 | 30,704,551 | 29,719,361 |
| Cash and Bank balances | 88,634 | 49,129 | 74,969 |
| Net Debts | 58,358,905 | 30,753,680 | 29,794,330 |
| Total Equity | 100,714,202 | 100,714,202 | 100,714,202 |
| Net Debts to Equity Ratio | 57.9% | 30.5% | 29.6% |

2 Categories of financial instruments

| | As at 31/03/2017 | As at 31/03/2016 | As at 01/04/2015 |
|--|------------------|------------------|------------------|
| Financial assets | | | |
| Measured at amortised cost | | | |
| Cash and bank balances | 88,634 | 49,129 | 74,969 |
| Other financial assets at amortised cost (including trade receivables) | 264,895,985 | 167,947,737 | 122,887,820 |
| Financial liabilities | | | |
| Measured at amortised cost (including trade payables) | 222,798,631 | 148,021,082 | 108,581,846 |

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 financial liabilities as on 31st March 2017 are sufficiently covered by the financial assets

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.

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).

5 Foreign currency sensitivity analysis

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

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.

| Particulars | FC value in Foreign Currency | | | FC value in INR | | |
|--|------------------------------|-----------------|----------------|-----------------|-----------------|----------------|
| | 31st March 2017 | 31st March 2016 | 1st April 2015 | 31st March 2017 | 31st March 2016 | 1st April 2015 |
| Amounts payable in foreign currency on account of the following: | | | | | | |
| EUR | 129,510 | 38,781 | - | 8,939,708 | 2,925,048 | - |
| AED | - | 7,639 | - | - | 137,897 | - |
| USD | 15,246 | - | - | 988,160 | - | - |

The Company is mainly exposed to the USD and EUR

The following table details the Company's sensitivity to a 10% increase and decrease against the relevant foreign currencies. 10% 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 10% change in foreign currency rates.

| | USD impact | | |
|---|------------|---------|---------------------|
| | 2016-17 | 2015-16 | As at April 1, 2015 |
| Impact on profit or loss for the year (i) | 98,816 | - | - |

| | EUR impact | | |
|--|------------|---------|---------------------|
| | 2016-17 | 2015-16 | As at April 1, 2015 |
| Impact on profit or loss for the year (ii) | 893,971 | 292,505 | - |

(i) This is mainly attributable to the exposure outstanding on USD payables in the Company at the end of the reporting period.

(ii) This is mainly attributable to the exposure to outstanding Euro 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.

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.

| Particulars | 31st March 2017 | | 31st March 2016 | | 1st April 2015 | |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | Carrying amount | Fair value | Carrying amount | Fair value | Carrying amount | Fair value |
| Financial assets | | | | | | |
| Financial assets carried at Amortised Cost | | | | | | |
| Inventories | 47,601,634 | 47,601,634 | 54,155,920 | 54,155,920 | 43,434,886 | 43,434,886 |
| Trade receivables | 175,203,565 | 175,203,565 | 108,676,483 | 108,676,483 | 77,383,836 | 77,383,836 |
| Loans | 3,102,514 | 3,102,514 | 3,208,190 | 3,208,190 | 1,400,056 | 1,400,056 |
| Uncertified Revenue from Works Contract | 38,988,273 | 38,988,273 | 1,907,144 | 1,907,144 | 669,042 | 669,042 |
| Fixed Deposits with Bank (Under Lien) | - | - | - | - | - | - |
| Interest Accrued on Deposit with Bank | - | - | - | - | - | - |
| Retention Monies Receivable | 22,269,993 | 22,269,993 | 16,196,892 | 16,196,892 | 7,702,265 | 7,702,265 |
| Total | 287,165,978 | 287,165,978 | 184,144,629 | 184,144,629 | 130,590,085 | 130,590,085 |
| Financial liabilities held at amortised cost | | | | | | |
| Current borrowings | 58,270,271 | 58,270,271 | 30,704,551 | 30,704,551 | 29,719,361 | 29,719,361 |
| Trade payables | 137,334,511 | 137,334,511 | 105,247,809 | 105,247,809 | 69,698,859 | 69,698,859 |
| Other Liabilities | 27,193,849 | 27,193,849 | 12,068,722 | 12,068,722 | 9,163,626 | 9,163,626 |
| Total | 222,798,631 | 222,798,631 | 148,021,082 | 148,021,082 | 108,581,846 | 108,581,846 |



43 First-time Ind AS adoption reconciliations

(Amount in Rs.)

Effect of Ind AS adoption on the balance sheet as at March 31, 2016 and April 1, 2015

| | As at 31/03/2016 (End of last period presented under previous GAAP) | | | As at 01/04/2015 (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 | 11,792,512 | - | 11,792,512 | 8,358,083 | - | 8,358,083 |
| (b) Goodwill | - | - | - | - | - | - |
| (c) Other Intangible Assets | 30,898,935 | 3,523,882 | 34,422,817 | 37,985,486 | - | 37,985,486 |
| (d) Financial Assets | - | - | - | - | - | - |
| (i) Investments | - | - | - | - | - | - |
| (iv) Other financial assets | 16,196,892 | - | 16,196,892 | 7,702,265 | - | 7,702,265 |
| (e) Income Tax Assets (net) | 5,448,667 | - | 5,448,667 | 2,590,318 | - | 2,590,318 |
| (f) Other Non-current Assets | - | - | - | - | - | - |
| Total Non Current Assets | 64,337,005 | 3,523,882 | 67,860,887 | 56,636,151 | - | 56,636,151 |
| Current Assets | | | | | | |
| (a) Inventories | 54,155,920 | - | 54,155,920 | 43,434,886 | - | 43,434,886 |
| (b) Financial Assets | - | - | - | - | - | - |
| (i) Trade Receivables | 108,676,483 | - | 108,676,483 | 77,383,836 | - | 77,383,836 |
| (ii) Cash and cash equivalents | 49,129 | - | 49,129 | 74,969 | - | 74,969 |
| (iii) Loans | 3,208,190 | - | 3,208,190 | - | - | - |
| (iv) Other financial assets | 1,907,144 | - | 1,907,144 | 669,042 | - | 669,042 |
| (c) Other Current Assets | 5,557,153 | - | 5,557,153 | 6,312,820 | - | 6,312,820 |
| Total Current Assets | 173,554,019 | - | 173,554,019 | 129,275,610 | - | 129,275,610 |
| Total Assets | 237,891,024 | 3,523,882 | 241,414,906 | 185,911,761 | - | 185,911,761 |
| Equity | | | | | | |
| (a) Equity Share Capital | 60,000,000 | - | 60,000,000 | 60,000,000 | - | 60,000,000 |
| (b) Other Equity | 14,241,969 | 2,463,546 | 16,705,515 | 7,653,161 | - | 7,653,161 |
| Total Equity | 74,241,969 | 2,463,546 | 76,705,515 | 67,653,161 | - | 67,653,161 |
| Non Current Liabilities | | | | | | |
| (a) Financial Liabilities | - | - | - | - | - | - |
| (i) Borrowings | - | - | - | - | - | - |
| (b) Provisions | 646,780 | - | 646,780 | - | - | - |
| (c) Deferred Tax Liabilities (net) | 2,321,506 | 1,060,336 | 3,381,842 | 2,700,199 | - | 2,700,199 |
| Total Non Current Liabilities | 2,968,286 | 1,060,336 | 4,028,622 | 2,700,199 | - | 2,700,199 |
| Current Liabilities | | | | | | |
| (a) Financial Liabilities | - | - | - | - | - | - |
| (i) Borrowings | 30,704,551 | - | 30,704,551 | 29,719,361 | - | 29,719,361 |
| (ii) Trade Payables | 105,247,809 | - | 105,247,809 | 69,698,859 | - | 69,698,859 |
| (iii) Others financial liabilities | 12,068,722 | - | 12,068,722 | 9,163,626 | - | 9,163,626 |
| (b) Other Current Liabilities | 1,823,508 | - | 1,823,508 | 49,924 | - | 49,924 |
| (c) Provisions | 10,836,179 | - | 10,836,179 | 6,926,631 | - | 6,926,631 |
| Total Current Liabilities | 160,680,769 | - | 160,680,769 | 115,558,401 | - | 115,558,401 |
| Total Liabilities | 163,649,055 | 1,060,336 | 164,709,391 | 118,258,600 | - | 118,258,600 |
| Total equity and liabilities | 237,891,024 | 3,523,882 | 241,414,906 | 185,911,761 | - | 185,911,761 |



| | Year ended 31/03/2016 (Latest period presented under previous GAAP) | | |
|---|--|-----------------------------------|--------------------|
| | Previous GAAP | Effect of transition to Ind AS | Ind AS |
| Revenue from Operations (Gross) | 291,553,772 | - | 291,553,772 |
| Other Income | 110,748 | - | 110,748 |
| Total Income (A) | 291,664,519 | - | 291,664,519 |
| Expenses | | | |
| Cost of Materials Consumed | 155,052,303 | - | 155,052,303 |
| Purchases of Stock-in-Trade (Traded goods) | 24,599,600 | - | 24,599,600 |
| Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade | (6,153,955) | - | (6,153,955) |
| Direct Man Power & Site Expenses | 45,631,701 | - | 45,631,701 |
| Employee Benefits Expense | 36,698,051 | - | 36,698,051 |
| Finance Costs | 3,774,281 | - | 3,774,281 |
| Depreciation and Amortization Expense | 8,205,699 | (3,523,882) | 4,681,817 |
| Other Expenses | 15,674,917 | - | 15,674,917 |
| Total Expenses (B) | 283,482,596 | (3,523,882) | 279,958,714 |
| Profit before Tax | 8,181,923 | 3,523,882 | 11,705,805 |
| Tax Expense | | | |
| Current Tax | 2,753,533 | - | 2,753,533 |
| Deferred Tax | 378,693 | 1,060,336 | 681,643 |
| Prior period tax adjustment | 762,168 | - | 762,168 |
| Net Tax expense | 1,612,672 | 1,060,336 | 2,673,008 |
| Profit for the year | 6,569,251 | 2,463,546 | 9,032,797 |
| Other Comprehensive Income | | | |
| (a) Remeasurements of the defined benefit plans | - | - | 119,155 |
| Total Comprehensive Income for the period | 6,569,251 | 2,463,546 | 8,913,642 |



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

| | Notes | As at 31st March 2016 (End of last period presented under previous GAAP) | As at 1st April 2015 (Date of transition) |
|---|-------|--|--|
| Total equity (shareholders' funds) under previous GAAP | | 74,241,969 | 67,653,161 |
| Changes in assessment method of Amortisation of Other Intangible Assets as per Ind AS | 43 | 3,523,882 | - |
| Deferred Tax impact | 43 | 1,060,336 | - |
| Total adjustment to equity | | 2,463,546 | - |
| Total equity under Ind AS | | 76,705,515 | 67,653,161 |

