

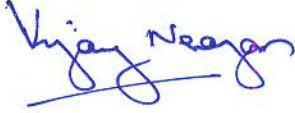




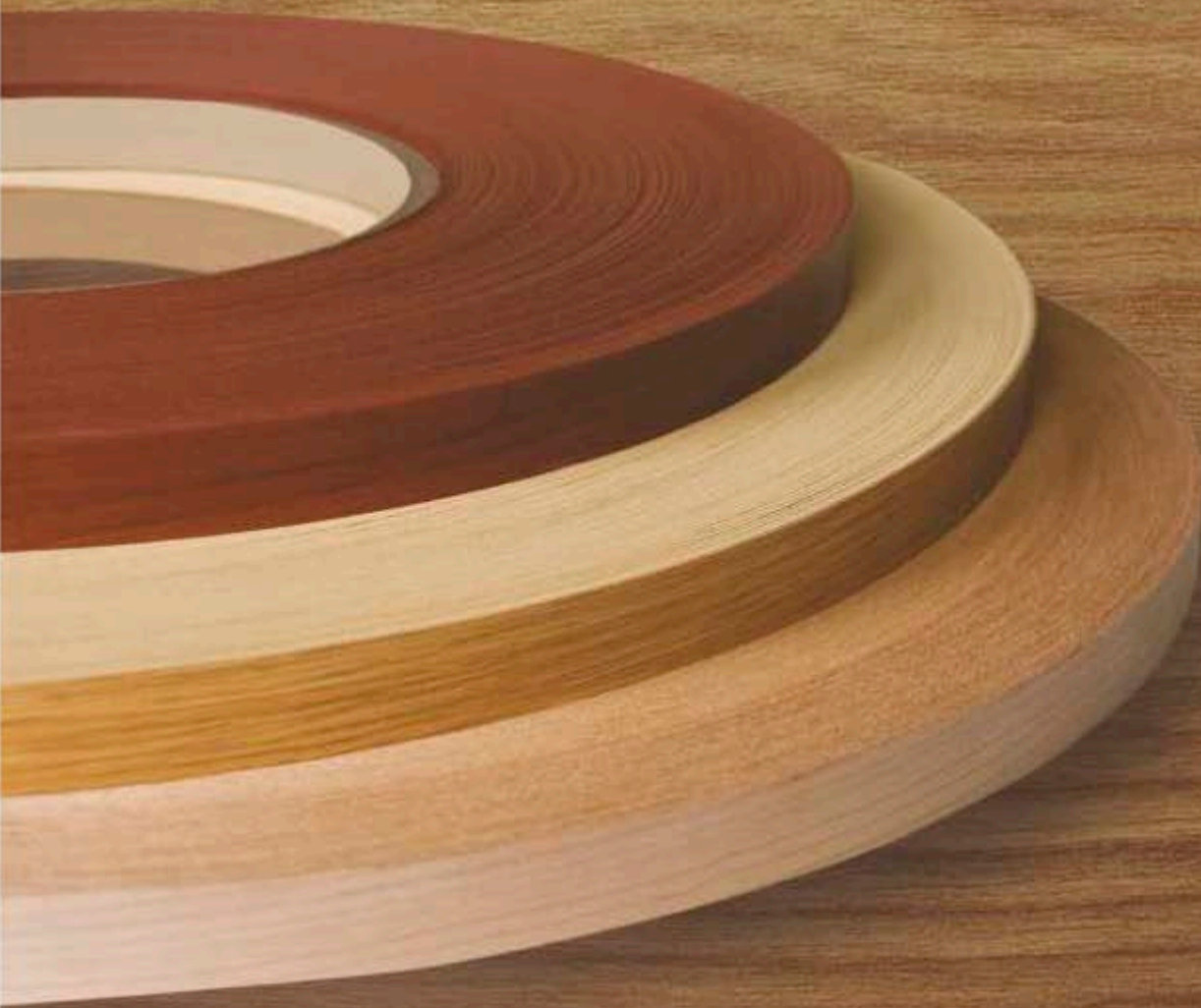
FORM A

**FORMAT FOR COVERING LETTER OF THE ANNUAL AUDIT REPORT
TO BE FILED WITH THE STOCK EXCHANGE**

| | | |
|---|--|--|
| 1 | Name of the Company | The Western India Plywoods Ltd |
| 2 | Annual Financial Statements for the year ended | 31 st March 2015 |
| 3 | Type of Audit Observation | Unqualified |
| 4 | Frequency of observation | N.A |
| 5 | To be signed by | |
| A | CEO/Managing Director | for THE WESTERN INDIA PLYWOODS LTD.  Managing Director |
| B | CFO | For THE WESTERN INDIA PLYWOODS LTD.  SATHYAKRISHNAN. B CHIEF FINANCIAL OFFICER |
| C | Auditor of the Company |   |
| D | Audit Committee Chairman |  |



Annual Report 2014 - 2015



The Western India Plywoods Limited

Baliapatam, Kannur - 670 010 Ph: +91 497 - 2778151 (4 Lines) Fax: +91 497 - 2778181

E-mail: westernply@gmail.com mail@wipltd.in www.wipltd.in

CIN-L20211KL1945PLC001708



Shri P.K Mohamed

01.07.1938 - 29.09.2014



*With fond memories of our Dearest Managing Director
You will always inspire and guide us.*

BOARD OF DIRECTORS

CHAIRMAN:

Shri. T. Balakrishnan

DIRECTORS:

Shri Y.H Malegam
Shri M.R Karmachandran
Shri Ranjith Kuruvila
Smt. Pushya Sitaraman

MANAGING DIRECTOR:

Shri P.K Mayan Mohamed

COMPANY SECRETARY & GENERAL MANAGER (FINANCE)

Shri R Balakrishnan

CHIEF FINANCIAL OFFICER

Shri Sathyakrishnan B

AUDITORS:

M/s. Varma & Varma
Chartered Accountants
Kochi

BANKERS:

State Bank of India
Dena Bank
Canara Bank
Bank of India
Indian Overseas Bank

REGISTRARS:

M/s. Cameo Corporate
Services Ltd.
Subramanian Buildings
No. 1, Club House Road
Chennai - 600 002
Tel: 044 - 28460390

REGISTERED OFFICE:

Mill Road, Baliapattam
Kannur - 670 010, Kerala.
Tel: 0497-2778151 (4 lines)
Fax: 0497-2778181.
E-mail: westernply@gmail.com
mail@wipltd.in Web: www.wipltd.in
CIN-L20211KL1945PLC001708



Shri. T. Balakrishnan
Chairman



Shri Y.H Malegam
Director



Shri M.R Karmachandran
Director



Shri Ranjith Kuruvila
Director



Smt. Pushya Sitaraman
Director

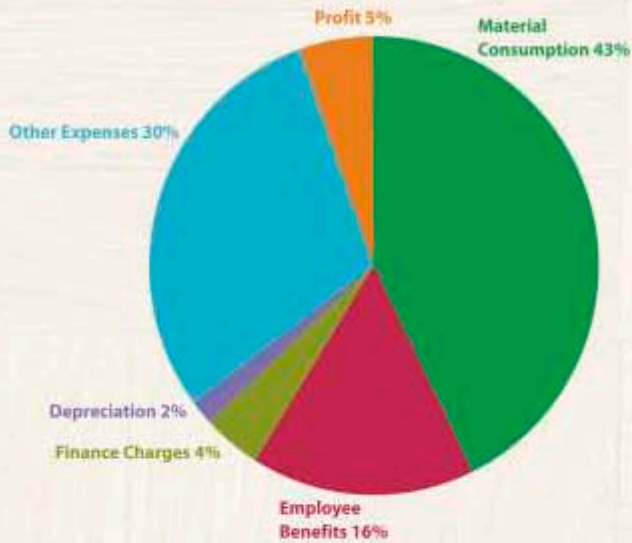


Shri P.K Mayan Mohamed
Managing Director

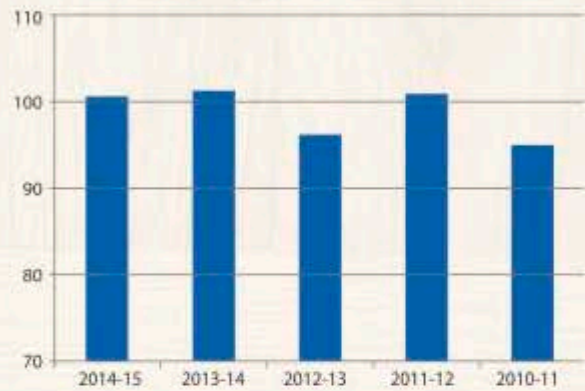


Shri R Balakrishnan
*Company Secretary &
General Manager (Finance)*

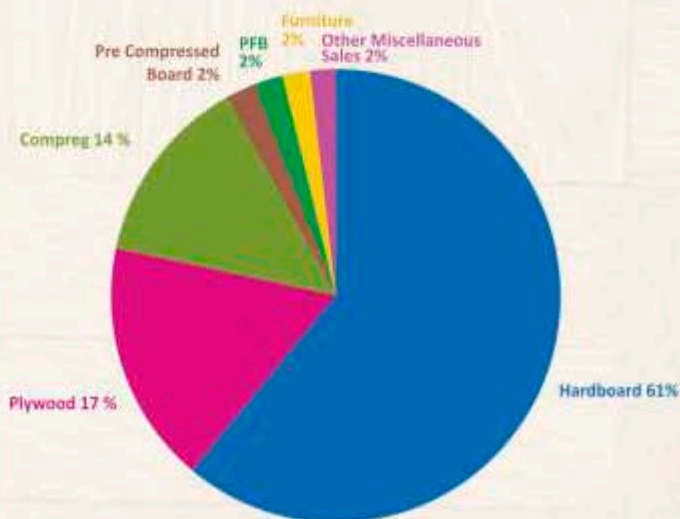
Revenue Distribution



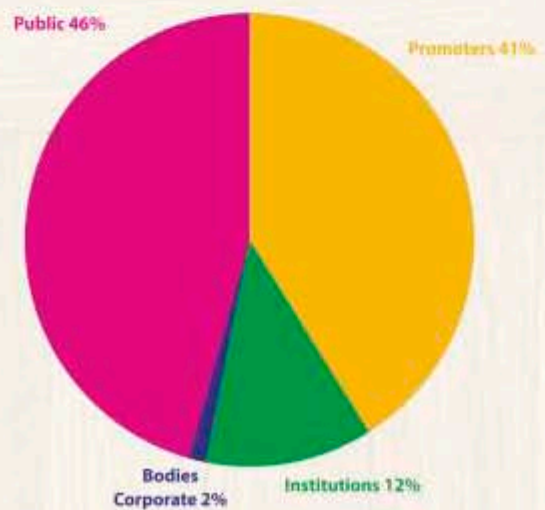
Turnover (Rs in Crores)



Product Mix



Shareholding Pattern



Weston is the largest selling hardboard brand in India

WIP is the India's first hardboard manufacturer, and also the first to bag ISO 9002-1994 certification. Industry leaders world over shop at WIP for quality special grade hardboard. Cars from most top line auto makers don WIP hardboard.

Western India Plywoods Limited has been the undisputed leader in hardboards ever since production started in 1960. Manufactured to meet the Indian Standard 1658 for standard boards, the Weston products find extensive use in automobiles, interiors and the packing industry. They are exported to 24 countries, including the highly competitive European, Middle east and North American markets.

- ▶ State-of-the-art Swedish production line
- ▶ Uses only plantation timber/agro waste as raw material
- ▶ Capacity of 120 tonne a day
- ▶ Zero-waste process

THE WESTON RANGE

Features

- Engineered to meet IS:1658 norms
- Good mechanical properties due to high density
- No formaldehyde emission

Applications

- Automotive interior trims
- Show heel manufacture
- fibre drum lid manufacture
- Clock backing
- Photo frame backing
- Furniture elements
- Partitions
- Writing pads
- Door skins.

STANDARD HARDBOARD



Oil-tempered hardboard is manufactured by impregnating hardboard with specially treated oil, making it moisture resistant and giving it higher bending strength values.

Heat tempered hardboard is manufactured by post-curing the finished hardboard at high temperatures in specially designed chambers. This process enhances the inter-fibre cross-linking of lignin natural binders.

Features

- Enhanced mechanical properties
- Improved reduction in water absorption characteristics

Applications

- Automobile interior door trims
- Shoe heels

OIL/HEAT TEMPERED



Features

- Pre-drilled with evenly spaced holes
- Available in standard and tempered form
- Available pre-finished in the desired colour

Applications

- Cladding material meeting acoustic requirements
- Embossed hardboard for interior partitions

PERFORATED



The fully computerised control room of Hardboard Plant - 3



WESTIND ULTRAKLIK



WIP's engineered wood flooring range is technically a two-ply wood flooring consisting of a cross-laminated plywood base and a wear layer of the client's choice. This format is the most stable and mechanically resilient construction among all wood flooring variants available in the market today.

The flooring panels are finished using a high performance seven-layer UV floor coating system on a custom built Italian UV lacquering line.

A unique feature of Ultraklik is its micro-bevelled edges on all four sides which create an exquisite 'V' groove between the flooring elements, lending a touch sophistication to the meticulously planned interiors. With a closed depth of 0.4 mm, it ensures that there is no collection of dust between the flooring panels. It also facilitates easy cleaning.

WESTIND, ULTRAKLIK engineered wood floors exude a magical aura that is unique to wood flooring derived from mother nature's treasure chest of exotic hardwoods.

Features

- Eco friendly construction
- Seven-layer UV-cured lacquer finish
- BWP panel construction
- Glueless installation with WIPKLIK system
- Micro-bevelled edges
- Easy laying, easy maintenance, affordable
- Wide range: suitable for homes and offices

ENGINEERED WOODEN FLOORS

Westind Ultraklik uses no adhesives for installation; the unique WIPKLIK lock-in system does the job. The glueless joints eliminate odour and emissions, the two problems generally associated with wooden floors. The high precision profiling acts to pull the floor together eliminating the shut lines and lending a touch of class to the overall ambience of the interior.



Shri Mayan Mohamed, Managing Director receiving the
KSIDC award for Excellence 2014 from Hon.Minister for Industries & IT.



A view of the factory at Valapatanam

WIP PRODUCT RANGE

| PRODUCT NAME | SPECIFICATIONS & APPLICATIONS |
|--------------------------------|---|
| HARDBOARD | Used extensively by automobile industries, fiber drum manufacturers, shoe manufacturers, photo frame backing, clock manufacturers, school writing Pads and also for partitions. |
| WESTINDPLY | Decorative and commercial BWR and BWP grade Plywoods, manufactured from selected species of timber, water-proof quality used for boat building, concrete shuttering, furniture, partitions, paneling etc. |
| WIPCHEK | Densified compressed floor board, with both chequered and plain surfaces, for automobiles, railway coaches, concrete shuttering & boat building & Chemical industries. |
| COMPREG SLATS | Used for railway coaches, paneling and as building material |
| WIPLAM | Densified wood used in the manufacture of Insulation components for Transformers & switchgears. |
| WIPLAC | Pre-finished plywood & hardboard, used in the manufacture of panel coiling and furniture. |
| ULTRAKLIK | Engineered wood flooring |
| FURNITURE | All types of furniture including moulded and knock down furniture |
| WIPWOOD | Densified wood used in the manufacture of Textile & Jute Mill accessories |
| WIPROC | Densified wood used in the manufacture of High precision jig forming tools in aeronautical industry & neutron shields in reactors |
| WIPBEAR | Densified wood used in the manufacture of Bearings and gears |
| WIPCHEM | Densified wood used in the manufacture of Filter plates used in Dye & Chemical industry & oil extraction mills |
| WIPCOM | Densified wood used in the manufacture of Electrical insulation components like studs, nuts, cleats & other segments |
| WIPRESS | Rigid board made from imported virgin softwood sulphate pulp having high purity with excellent electrical & mechanical properties, for use in the Transformer industry |
| DAP | Plastic moulded material used in the manufacture of Components for high tech industry |
| DENSIFIED MOULDED SEATS | Used for railway coaches, auditoriums & restaurants |



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DIRECTORS' REPORT

Dear members,

Your directors have pleasure in presenting the 70th Annual Report of the Company on the business and operations together with the audited financials

1. Financial Summary

(Rs. in Lakhs)

| PARTICULARS | Year Ended 31 st March 2015 | Year Ended 31 st March 2014 |
|--|---|---|
| Revenue from operations (Gross) | 10089.50 | 10175.92 |
| Less: Excise Duty | 894.63 | 946.67 |
| Revenue from Operations(Net) | 9194.87 | 9229.24 |
| Operational Expenditure | 8162.52 | 8282.35 |
| Operating profit before Depreciation, Interest, Tax & Exceptional Item | 1032.35 | 946.89 |
| Finance Cost | 389.84 | 352.86 |
| Depreciation and amortization expense | 192.48 | 486.10 |
| Other Income | 39.10 | 17.77 |
| Profit Before Tax | 489.13 | 125.70 |
| a) Current Tax | 183.59 | 100.20 |
| b) Deferred Tax | (23.26) | (57.03) |
| c) Provision no longer required written Back | - | (99.27) |
| Profit After Tax | 328.81 | 181.80 |
| Balance in Profit & Loss account brought forward | 1014.74 | 927.08 |
| Adjustment on account of change in useful life of fixed assets | 4.16 | - |
| Dividend proposed | 70.81 | 63.37 |
| Tax on Dividend Proposed | 14.42 | 10.77 |
| Transfer to Capital Redemption Reserve | - | 20.00 |
| Balance carried to Balance Sheet | 1254.16 | 1014.74 |

2. Company's Performance

During the year 2014-15, the company achieved a gross turnover of Rs 10089.50 Lakhs as against Rs 10175.92 Lakhs and Profit Before Tax of Rs 489.13 Lakhs for the year under review as against 125.70 Lakhs during the previous year.

3. Change in Share Capital

During the year, no shares have been issued.

4. Appropriation made from the profits

- a. Transfer of Reserves: Nil
- b. Dividend

Your directors are pleased to recommend dividend of Rs 0.70 Paise per share (7% on par value of Rs. 10 per share) as against 0.60 paise (6% on par value of Rs. 10 per share).

The dividend, if declared as recommended, would involve an outflow of Rs 70.81 Lakhs and 14.42 Lakhs towards dividend tax resulting in a total outflow of Rs 85.23 Lakhs. If approved by the shareholders at the ensuing Annual General Meeting, the dividend will be payable to all shareholders/ beneficial owners whose names appear in the register of members as on the book closure date. The register of members and share transfer books will remain closed from 17th September 2015 to 26th September, 2015 (both days inclusive).

5. Fixed Deposit

The Company has not accepted any fixed deposits during the year under review.

6. Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of report.

7. Change in the Nature of Business, if any

There was no change in the nature of business of the Company during the Financial Year 2014-15.

8. Significant or Material Orders passed by Regulators /Courts / Tribunals

During the year under review, there were no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

9. Board of Directors & it's Committees

a. Composition of the Board of Directors

With profound grief, the Board has to report the sudden demise of Shri P K Mohamed (DIN 00026977) on 29.09.2014 who was the Managing Director from 1993 onwards, which is an irreparable loss to the company. Mr Mohamed was instrumental in commissioning the hardboard plant and pre compressed Board plant.

Mr V Ramachandran (DIN 00581800) and Shri N L Vaidyanathan (DIN- 02409603) resigned from the Board due to ill health. Shri Bhaskar Menon (DIN-00597913) who is settled in US also resigned from the Board on account of his busy schedule. The Board placed on record the valuable advises and services rendered by the above directors. The Composition of the Board of the Directors is in compliance with Clause 49 of the Listing Agreement and Section 149 of the Companies Act, 2013.

In terms of Section 152 of the Companies Act, 2013, Shri Ranjith Kuruvilla is liable to retire by rotation at the ensuing AGM and being eligible offers himself for re-appointment.

Shri Y H Malegam, Shri T Balakrishnan and Smt Pushya Sitaraman are the independent directors of the Company, The Company has also complied with Section 149(1) of the Companies Act regarding appointment of women director.

b. Details of Directors & KMP

Details of the same has been given in Corporate Governance Report.

c. Declaration by Independent Directors

The Company has received necessary declarations from the Independent Directors stating that they meet the criteria of independence as specified in Section 149(6) of the Companies Act and clause 49 of the Listing Agreement.

d. No of Meeting of Board of Directors

The Board of Directors of the Company met 5 times during the financial year 2014-15 on 9th May 2014, 12th August, 2014, 27th September, 2014, 11th November 2014 and 10th February 2015.

e. Committees of the Board.

The sub- committees of the Board comprises of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship and Share Transfer Committee.

f. Performance Evaluation

Pursuant to the provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors, has carried out an annual performance evaluation of its own, Sub Committees of Board and individual directors, based on the criteria laid down in the Nomination Remuneration and Evaluation Policy of the Company.

The performance evaluation of the Board was carried out on a questionnaire template on the basis of criteria such as flow of information to the Board, effective role played by the Board in decision making etc. The performance of evaluation of various Sub-Committees of the Board were carried out on the basis of criteria such as constitution of the subcommittees in accordance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, effective functioning of the committees as per the terms of reference etc.

The performance of evaluation of individual Directors was carried out both by the Nomination and Remuneration Committee and the Board on the basis of criteria such as active participation in the Board deliberations, contributions made for adoption of better corporate governance practice by the Company etc.

A separate meeting of Independent Directors of the Company was held during the year under review, in which the members evaluated the performance of the Chairman on the basis of criteria such as giving guidance to the Board and ensuring the independence of the Board etc. The performance of the non-independent directors was also evaluated on the basis of their contribution to the Board deliberations.

g. Directors Responsibility Statement

In terms of the requirements of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, Board of Directors of the Company, hereby state and confirm that:

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

10. Audit Related Matters

a. Statutory Auditors

M/s Varma and Varma, Chartered Accountants (FRN 004532S), statutory auditors of the Company retire at the ensuing Annual General Meeting. The Company has received consent from M/s Varma & Varma as per Section 139 of the Companies Act, 2013 and the rules there under. The Board of Directors upon the recommendation of the Audit Committee proposes the re-appointment of M/s Varma & Varma, Chartered Accountants, Kochi as the statutory auditors of the Company to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the Annual General Meeting to be held in 2017.

The Auditors Report for the financial year 2014-15 does not contain any qualification, reservation or adverse remarks.

b. Secretarial Auditors

The Board of Directors, pursuant to the provisions of Section 204 of the Companies Act, 2013, appointed M/s. Gopimohan, Satheesan & Associates, Company Secretaries, Kochi, as the Secretarial Auditor of the Company, to carry out the Secretarial Audit for the Financial Year 2014-15.

Secretarial Audit Report:

Secretarial Audit Report is attached as Annexure 1.

The Secretarial Auditors has confirmed that the company has complied with the provisions of applicable Acts, rules etc. and has made a few observations. The clarifications for the same are as follows.

a. Updating of Charges maintained by MCA:

These relate to loans which were fully repaid more than 20 years ago. Most of the lenders are no longer in existence. It is presumed that all relevant forms were filed at the correct time. The audited Balance sheet does not show any such loan outstanding.

b. License for Contractors under Contract Labour (Regulation & abolition Act), 1970:
The Contractors have obtained the required licence subsequently.

11. Policy Matters

a. Nomination Remuneration and Evaluation Policy

Pursuant to the provisions of Section 178(3) of the Companies Act, 2013 the Nomination and Remuneration Committee of the Company has formulated and recommended to the Board a policy containing the criteria for determining qualifications, positive attributes and independence of a director and its highlights the remuneration for the directors, Key Managerial Personnel and other employees ensuring that it covers the matters mentioned in Section 178(4) of the Act. Nomination Remuneration and Evaluation policy approved by the Board is given in Annexure 2 to this Report.

b. Vigil Mechanism/Whistle Blower Policy

The Company has a Whistle Blower policy to enable its employees and Directors to report any genuine grievances, illegal or unethical behavior, suspected fraud or violation of laws, rules and regulations. The Whistle blower also has access to the Audit Committee Chairman.

The said policy has been amended in line with the provisions of Companies Act, 2013 and clause 49 of the Listing Agreement and it provides for adequate protection to the whistle blower against victimization or discriminatory practices.

c. Corporate Social Responsibility Policy

The Corporate Social Responsibility Rules, 2014 are not applicable to the Company for financial year 2014-15.

d. Risk Management Policy

Risk Management

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in its strategy, business and operational plans. The Board members are informed about the risk assessment and minimization procedures. The Board is responsible for framing, implementing and monitoring the risk management plan for the company. The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organizational structures, processes, standards, code of conduct and behaviours together govern the business of the Company and manage associated risks. Some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Report.

12. Other Matters

a. Internal Financial Controls

The Company had adequate internal financial controls in place with reference to the financial statements. During the year under review, the controls were evaluated and no significant weakness was identified in design or operations of the controls.

b. Financial Position and Performance of Subsidiaries, Joint Ventures and Associates.

Pursuant to Section 136 of the Companies Act, 2013, the Companies are exempted from attaching the Audited Financial Statements and other particulars of its subsidiary Companies along with the Annual Report of the Company. However, a statement containing salient features of the financial statement of the subsidiary company in form AOC-1 as a part of the Directors' Report - Annexure - 3.

c. Any revision made in the financial statements or Boards Report

The Company has not revised the Financial Statements or Board's Report in respect of any of the three preceding Financial years.

d. Employee Stock Option

The Company does not have a Employee stock option Scheme.

e. Code of Conduct

As prescribed under Clause 49 of the Listing Agreement, a declaration signed by the Managing Director affirming compliance with the Code of Conduct by the Directors and Senior Management of the Company for the Financial Year 2014-15 forms part of the Corporate Governance Report

f. Extract of Annual Return

Extract of the Annual Return in Form No. MGT -9 forms part of the Board's Report and is annexed herewith as Annexure 4.

g. Management Discussion and Analysis Report

As per provisions of Clause 49 of the Listing Agreement, a detailed review of the developments in the industry, performance of the Company, opportunities and risks, internal control systems, outlook etc. of the Company is given under the head Management Discussion and Analysis Report, which forms part of this Annual Report.

h. Particulars of Loans, Guarantees and investments

The Company has invested Rs 106.76 Lakhs in financial year 2014-15 in ERA & WIP Timber JV,SDN BHD towards value of 6,80,000 Shares of RM(Malaysian Ringgit) 1/ each.

i. Related Party Transactions

All Related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There are no materially related party transactions made by the Company with Directors, Key Managerial Personnel who may have a potential conflict with the interest of the Company at large.

Where related party transactions took place they were placed before the Audit Committee and also to the Board for Approval. Since all related party transactions entered into by the Company were in the ordinary course of business and on arms length basis, Form AOC-2 is not applicable to the Company.

j. Listing of shares

As the members are aware, the shares of the Company were listed in Madras and Cochin stock exchanges. Since both these exchanges are wound up, the Board decided to list the equity shares in National Stock Exchange.

k. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information pertaining to conversation of energy, technology absorption, foreign exchange earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is furnished in Annexure 5 and forms part of this Report.

l. Remuneration Details of Directors, Key Managerial Personnel and Employees

None of the directors, Key Managerial Personnel and other employees is in receipt of remuneration exceeding the limits prescribed under Sections 134 and 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended.

m. Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company is committed in providing and promoting a safe and healthy work environment for all its employees. It has zero tolerance towards sexual harassment at the workplace and has adopted a policy for 'Prevention and Redressal of Sexual Harassment at the Workplace' in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed there under for prevention and redressal of complaints of sexual harassment at work place along with a structured reporting and redressal mechanism. The Company has also constituted an Internal Complaints Committee, to inquire into complaints of sexual harassment and recommend appropriate action. The policy has been circulated among the employees of the Company and the same is exhibited in the notice Board of the Company. During the year under review, the Company has not received any complaint of sexual harassment.

13. Acknowledgement

The Board wishes to place on record its sincere appreciation to the Company's customers, vendors, central and state government bodies, auditors, registrar, bankers and KSIDC for their continued support to the Company during the year under review. The Directors also wish to place on record their appreciation for the dedicated efforts of the employees at all levels. Finally, the Board expresses its gratitude to the members for their continued trust, co-operation and support.

For and on behalf of the Board of Directors
Sd/-

T. Balakrishnan
Chairman

Place: Cochin
Date: 08.08.2015

ANNEXURE-1

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st March, 2015

To,
The Members,
WESTERN INDIA PLYWOODS LIMITED,
Baliapatam.
KANNUR - 670010

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Western India Plywoods Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

The equity shares of the Company are listed in Cochin Stock Exchange and Madras Stock Exchange, which exchanges are not carrying out any trading activities for the last several years and are practically non-operational and therefore, our audit has not covered the Compliance or otherwise of the Securities Exchange Board of India Act, 1992 ('SEBI') and allied Rules, Regulations, Circulars and Directions issued by SEBI.

1. Subject to the above we report that we have examined the books, papers, minute books, forms and returns filed and other records maintained by Western India Plywoods Limited for the financial year ended on 31st March, 2015 according to the provisions of The Companies Act, 2013 ('the Act') and the rules made thereunder and have generally examined the compliance of other Acts;
2. During the period under review the Company has complied with the provisions of the Companies Act, 2013 Rules, Regulations, Circulars, Guidelines etc made thereunder subject to the following observations:-
 - i. *The Register of Charges, as maintained by the Company and also evidenced in the website of the Ministry of Corporate Affairs requires updating as returns/forms relating to many of the charges satisfied and not appearing in the Balance Sheet for years together are yet to be filed by the Company.*
3. In respect of other laws like Acts relating to employee and labour regulations, welfare and connected activities, specifically applicable to the Company, we have relied on information/ records produced by the Company during the course of our audit and the reporting is limited to that extent.
4. Regarding compliance of labour, labour related and welfare, environment and economic laws applicable to the company and reviewed by us, we report that:
 - i. *The contractors providing workmen to the company did not have proper license during the period under review as required under the Contract Labour (Regulation and Abolition) Act, 1970.*

We further report that:

5. The following Rules issued under the Companies Act, 2013 are not applicable to the Company during the financial year 2014-15:
 1. Companies (Prospectus and Allotment of Securities) Rules, 2014 as the Company has not issued any shares or other securities.
 2. Companies (Issue of Global Depository Receipts) Rules, 2014 as the Company has not issued any Global Depository Receipts.
 3. Companies (Share Capital and Debentures) Rules, 2014 except the transfer of shares.
 4. Companies (Acceptance of Deposits) Rules, 2014 as the Company has not accepted any public deposits.
 5. Companies (Corporate Social Responsibility Policy) Rules, 2014.
 6. Companies (Inspection, investigation and inquiry) Rules, 2014 as no inspection or investigation were ordered on the affairs of the Company.

The Company has complied with the following Rules, issued under the Companies Act, 2013:

1. Companies (Registration of Charges) Rules, 2014.
2. Companies (Management and Administration) Rules, 2014.
3. Companies (Accounts) Rules, 2014.
4. Companies (Declaration and Payment of Dividend) Rules, 2014.
5. Companies (Audit and Auditors) Rules, 2014
6. Companies (Appointment and Qualification of Directors) 2014
7. Companies (Meeting of Board and its Powers) Rules, 2014.
8. Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Subject to the above, we report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors regarding the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions by the Board were passed unanimously.
3. We further report that there are scope for improving the systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
4. The Company has taken a fresh loan of Rs.400,00,000/- from Axis Bank Limited. The total borrowing of the Company is well within the limits of section 180 of the Companies Act, 2013.
5. During the year under review, Kerala State Industrial Development Corporation Ltd had created a second charge over the assets of the company for the enhanced working capital facilities.
6. During the year under report, Mr. Mayan Mohamed was appointed as Managing Director consequent upon the demise of Late P. K. Mohamed, and the Company has complied with the requirement of the Act relating to the appointment.

Place : Ernakulam
Date : 08/07/2015

For **Gopimohan Satheesan & Associates**
(K. P. Gopimohan),Partner
FCS No.: 7110
C P No.: 2912

ANNEXURE-2

NOMINATION AND REMUNERATION POLICY FOR THE MEMBERS OF BOARD AND EXECUTIVE MANAGEMENT

1. Preamble

- 1.1 The Remuneration Policy of THE WESTERN INDIA PLYWOODS LIMITED (the "Company") is designed to attract, motivate, improve productivity and retain manpower, by creating a congenial work environment, encouraging initiatives, personal growth and teamwork, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages and superannuation benefits. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.
- 1.2 The remuneration policy provides a framework for remuneration paid to the members of the Board of Directors ("Board"), Key Managerial Personnel ("KMP") and the Senior Management Personnel ("SMP") of the Company (collectively referred to as "Executives").

2. Definitions

- 2.1 Key Managerial Personnel: Key Managerial Personnel means—
 - (i) Chief Executive Officer or the managing director or the manager;
 - (ii) Company Secretary,
 - (iii) Whole-time Director;
 - (iv) Chief Financial Officer; and
 - (v) Such other officer as may be prescribed under the Companies Act, 2013
- 2.2 Senior Management : The expression "senior management" means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

3. Objectives

- 3.1 The main objective of this Policy is constitution of the Nomination and Remuneration Committee and align its functions in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement.
- 3.2 The Key Objectives of the Committee would be:
 - 3.2.1 To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
 - 3.2.2 To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
 - 3.2.3 To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- 3.3 Key Objectives of the Policy would be
 - 3.3.1 The remuneration policy aims to enable the company to attract, retain and motivate highly qualified members for the Board and Executive level.
 - 3.3.2 The remuneration policy seeks to enable the company to provide a balanced and performance-related compensation package, taking into account interests of shareholders, industry standards and relevant Indian corporate regulations.
 - 3.3.3 The remuneration policy will ensure that the interests of Board members and Executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the company and will be consistent with the "pay-for-performance" principle.

- 3.3.4 The remuneration policy will ensure that remuneration to Directors and Executives involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

4. Principles of remuneration

- 4.1 Support for Strategic Objectives: Remuneration and reward frameworks and decisions shall be designed in a manner that is consistent with, supports and reinforces the achievement of the Company's vision and strategy.
- 4.2 Transparency: The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.
- 4.3 Internal equity: The Company shall remunerate the board members and the Executives in terms of their roles within the organisation. Positions shall be formally evaluated to determine their relative status in relation to other positions within the Company.
- 4.4 External equity: The Company strives to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Therefore the Company will remain logically mindful of the ongoing need to attract and retain high quality people and the influence of external remuneration pressures.
- 4.5 Flexibility: Remuneration and reward offerings shall be sufficiently flexible to meet both the needs of individuals and those of the Company whilst complying with relevant tax and other legislation.
- 4.6 Affordability and Sustainability: The Company shall ensure that remuneration is affordable on a sustainable basis.

5. Nomination and Remuneration Committee

- 5.1 The Remuneration Committee of the Board of Directors shall be re-named as Nomination and Remuneration Committee. Members of the Committee shall be appointed by the Board and shall comprise of three or more non-executive directors out of which not less than one-half shall be independent directors.
- 5.2 The Committee shall be responsible for
- 5.2.1 Formulating framework and/or policy for remuneration, terms of employment including service contracts, policy for and scope of pension arrangements, etc for Executives and reviewing it on a periodic basis;
- 5.2.2 Formulating criteria for evaluation of Independent Directors and the Board.
- 5.2.2 Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Director.
- 5.2.3 Identifying persons who are qualified to become directors and who may be appointed as Executives in accordance with the criteria laid down in this policy, recommend to the Board their appointment and removal and carry out their evaluation.
- 5.2.4 Formulating terms for cessation of employment and ensure that any payments made are fair to the individual and the company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
- 5.3 The Committee shall:
- 5.3.1 Review the ongoing appropriateness and relevance of the remuneration policy;
- 5.3.2 Ensure that all provisions regarding disclosure of remuneration, including pensions, are fulfilled;
- 5.3.3 Obtain reliable, up-to-date information about remuneration in other companies;
- 5.3.4 Ensure that no director or Executive is involved in any decisions as to their own remuneration.

6. Selection and appointment of the Board Members

The Committee shall follow the criteria for membership in the Board

- 6.1 The Committee, along with the Board, reviews on an annual basis, appropriate skills, characteristics and experience required for the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's operations.
- 6.2 In evaluating the suitability of individual Board members, the Committee takes into account many factors, including general understanding of the Company's business dynamics and social perspective, educational and professional background and personal achievements.
- 6.3 In addition, Directors must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust.
- 6.4 The Committee evaluates each individual with the objective of having a group that best enables the success of the Company's business.

7. Procedure for selection and appointment of Executives other than Board Members

- 7.1 The Committee shall actively liaise with the relevant departments of the Company to study the requirement for management personnel, and produce a written document thereon;
- 7.2 The Committee may conduct a wide-ranging search for candidates for the positions of Employees within the Company, and on the human resources market;
- 7.3 The professional, academic qualifications, professional titles, detailed work experience and all concurrently held positions of the initial candidates shall be compiled as a written document;
- 7.4 A meeting of the Committee shall be convened, and the qualifications of the initial candidates shall be examined on the basis of the conditions for appointment of the Employees;
- 7.5 Before the selection of Employee, the recommendations of and relevant information on the relevant candidate(s) shall be submitted to the Management Committee and Board of Directors;
- 7.6 The Committee shall carry out other follow-up tasks based on the decisions of and feedback from the Board of Directors.

8. Compensation Structure

- 8.1 Remuneration to Non-Executive Directors:
 - 8.1.1 The Non-executive Directors of the company are paid remuneration by way of sitting fees only for attending the meetings of the Board of Directors and its Committee. The sitting fees paid to the Non-executive Directors for attending meetings of Board of Directors and for attending the Committees thereof will be fixed by the Board from time to time within the limits prescribed under the Companies Act, 2013. Beside the sitting fees they are also entitled to reimbursement of expenses. The Non-executive Directors of the Company are not paid any other remuneration.
 - 8.1.2 The sitting fees of the Non-executive Directors for attending meetings of Board of Directors and the Committees of Board of Directors may be modified or implemented from time to time only with the approval of the Board in due compliance of the provisions of Companies Act, 2013.
- 8.2 Remuneration to Executive Directors, Key Managerial Personnel(s) (KMPs) and Senior Management Personnel (s) (SMPs):
 - 8.2.1 The Company has a credible and transparent framework in determining and accounting for the remuneration of the Managing Director / Whole Time Directors (MD/WTDs), Key Managerial Personnel(s) (KMPs) and Senior Management Personnel(s) (SMPs). Their remuneration shall be governed by the external competitive environment, track record, potential, individual performance and performance of the company as well as industry standards. The remuneration determined for MD/WTDs, KMPs and SMPs are subjected to the approval of the Board of Directors in due compliance of

the provisions of Companies Act, 2013. The remuneration for the KMP and the SMP at the time of the appointment and revision has to be approved by the Board but subsequent annual increments shall be approved by the Managing Director of the Company as per the HR policy of the Company.

8.2.2 Remuneration packages for Whole Time Directors are designed subject to the limits laid down under the Companies Act, 2013 to remunerate them fairly and responsibly. The remuneration of MD/WTDs, KMPs and SMPs comprises of salary, bonus, perquisites and also retirement benefits like P.F., Gratuity, etc as per Rules of the Company.

8.2.3 Remuneration also aims to motivate personnel to deliver Company's key business strategies, create a strong performance - oriented environment and reward achievement of meaningful targets over the short and long -term.

8.3 As a policy, the Executive Directors are not paid sitting fee.

9. Approval and publication

9.1 This remuneration policy as framed by the Committee shall be recommended to the Board of Directors for its approval.

9.2 This policy shall be hosted on the Company's website.

9.3 The policy shall form part of Director's report to be issued by the Board of Directors in terms of Companies Act, 2013

10. Supplementary provisions

10.1 This Policy shall formally be implemented from the date on which they are adopted pursuant to a resolution of the Board of Directors.

10.2 Any matters not provided for in this Policy shall be handled in accordance with relevant State laws and regulations and the Company's Articles of Association. If this Policy conflict with any laws or regulations subsequently promulgated by the state or with the Company's Articles of Association as amended pursuant to lawful procedure, the relevant state laws and regulations and the Company's Articles of Association shall prevail, and this Policy shall be amended in a timely manner and submitted to the Board of Directors for review and adoption.

10.3 The right to interpret this Policy vests in the Board of Directors of the Company.

ANNEXURE-3

FORM AOC-1

(Pursuant to first Provisio to sub section (3) of Section 129 read with Rule 5 of Companies(Accounts) Rules, 2014

Statement containing salient features of the Financial Statement of Subsidiaries/Associate Companies/Joint Ventures

PART A: SUBSIDIARIES

(Information in respect of each subsidiary to be presented with Amount in Rs in Lakhs)

| Sl.No | Particulars | Name of the subsidiary | | | |
|---|---|-------------------------------|-----------------------------------|-----------------------------|----------------------|
| | | The Kohinoor Saw Mills Co Ltd | Southern Veneers & Woodworks Ltd. | ERA & WIP Timber JV SDN BHD | Mayabandar Doors Ltd |
| 1 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | N.A | N.A | N.A | N.A |
| 2 | Reporting currency and Exchange Rate as on the last date of the relevant financial year in the case of foreign subsidiaries | N.A | N.A | MYR1 MYR=15.70 | N.A |
| 3 | Share Capital | 5.00 | 50.00 | 392.25 | 451.75 |
| 4 | Reserves & Surplus | (14.10) | 15.66 | (112.52) | (321.29) |
| 5 | Total Assets | 1.04 | 71.09 | 171.64 | 432.34 |
| 6 | Total Liabilities | 1.04 | 71.09 | 171.64 | 432.34 |
| 7 | Investments | - | - | - | - |
| 8 | Turnover | - | 57.70 | 487.24 | 403.02 |
| 9 | Profit before Taxation | 1.28 | 1.64 | (21.81) | 8.15 |
| 10 | Provision for Taxation | 0.02 | (0.77) | - | (1.09) |
| 11 | Profit after Taxation | 1.26 | 2.42 | (21.81) | 9.24 |
| 12 | Proposed Dividend | - | - | - | - |
| 13 | % of Shareholding | 90.82% | 100% | 65.87% | 88.68% |
| Notes a) Name of Subsidiaries which are yet to commence operations: None b) Names of subsidiaries which have been liquidated or sold during the year: None | | | | | |

PART B:

Associates and Joint Venture: N.A

ANNEXURE-4
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

| | | |
|---|--|---|
| 1 | CIN | L20211KL1945PLC001708 |
| 2 | Registration Date | 15.01.1945 |
| 3 | Name of the Company | THE WESTERN INDIA PLYWOODS LIMITED |
| 4 | Category/Sub-category of the Company | Company Limited by Shares |
| 5 | Address of the Registered office & contact details | Mill road, Baliapatam, Kannur- 670010, Kerala Ph: 0497-2778151, Fax: 0497-2778181 E-mail: westernply@gmail.com Website: www.wipltd.in |
| 6 | Whether listed company | The Company was listed in Cochin and Madras Stock Exchange |
| 7 | Name, Address & contact details of the Registrar & Transfer Agent, if any. | The dematting and physical transfers of shares of the Company are carried out by: M/s. Cameo Corporate Services Ltd. "Subramanian Building", No. 1, Club House Road Chennai-6000002. Tel: 044-28460390, Telefax: 044-28460129 E-mail: murali@cameoindia.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

| S. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|--------|--|---------------------------------|------------------------------------|
| 1 | Hardboard | 20213 | 61.07 |
| 2 | Plywood | 20211 | 17.13 |
| 3 | Densified Wood | 20213 | 13.77 |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| S. No. | Name and address of the Company | CIN/GLN | Holding/ Subsidiary/Associate | % of shares held | Applicable Section |
|--------|---|---------------------------|-------------------------------|------------------|---|
| 1 | Kohinoor Saw Mills Co. Ltd. Mill Road, Baliapatam, Cannanore, Kerala, India, 670010 | U02002KL1923 PLC001503 | Subsidiary | 90.82% | Section 2(87)(ii) of the Companies Act 2013 |
| 2 | Mayabandar Doors Limited, Building situated in Survey No. 92/3,96,97, Bannur Road, Bhugathagally, Mysore, Karnataka, 570010 | U20101KA1983 PLC070571 | Subsidiary | 88.68% | Section 2(87)(ii) of the Companies Act 2013 |
| 3 | ERA&WIP Timber JV SDN BHD, 8-4-13A, Sunny Point Complex, Jalan Batu Uban, 11700, Penang | Regn. No: 769295-W | Subsidiary | 65.87% | Section 2(87)(ii) of the Companies Act 2013 |
| 4 | Southern Veneers and Wood Works Limited Venus Corner, Chettamcoon Road, Koduvally Kerala, India, 670101 | U85110KL1970 PLC026165 | Subsidiary | 100.00% | Section 2(87)(ii) of the Companies Act 2013 |

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year [As on 31-March-2014] | | | | No. of Shares held at the end of the year [As on 31-March-2015] | | | | % Change during the year |
|----------------------------------|--|-----------|-----------|-------------------|--|-----------|-----------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 881,310 | 2,535,840 | 3,417,150 | 40.26% | 922,020 | 2,548,830 | 3,470,850 | 40.89% | 1.57% |
| b) Central Govt | | | - | 0.00% | | | - | 0.00% | 0.00% |
| c) State Govt(s) | | | - | 0.00% | | | - | 0.00% | 0.00% |
| d) Bodies Corp. | | | - | 0.00% | | | - | 0.00% | 0.00% |
| e) Banks / FI | | | - | 0.00% | | | - | 0.00% | 0.00% |
| f) Any other | | | - | 0.00% | | | - | 0.00% | 0.00% |
| Sub Total (A) (1) | 881,310 | 2,535,840 | 3,417,150 | 40.26% | 922,020 | 2,548,830 | 3,470,850 | 40.89% | 1.57% |
| (2) Foreign | | | | | | | | | |
| a) NRI Individuals | | | - | 0.00% | | | - | 0.00% | 0.00% |
| b) Other Individuals | | | - | 0.00% | | | - | 0.00% | 0.00% |
| c) Bodies Corp. | | | - | 0.00% | | | - | 0.00% | 0.00% |
| d) Any other | | | - | 0.00% | | | - | 0.00% | 0.00% |
| Sub Total (A) (2) | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| TOTAL (A) | 881,310 | 2,535,840 | 3,417,150 | 40.26% | 922,020 | 2,548,830 | 3,470,850 | 40.89% | 1.57% |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | - | - | - | 0.00% | | | - | 0.00% | 0.00% |
| b) Banks / FI | - | - | - | 0.00% | | | - | 0.00% | 0.00% |
| c) Central Govt | | | - | 0.00% | | | - | 0.00% | 0.00% |
| d) State Govt(s) | | | - | 0.00% | | | - | 0.00% | 0.00% |
| e) Venture Capital Funds | | | - | 0.00% | | | - | 0.00% | 0.00% |
| f) Insurance Companies | 877,320 | 152,810 | 1,030,130 | 12.14% | 877,320 | 152,810 | 1,030,130 | 12.14% | 0.00% |
| g) FIs | | | - | 0.00% | | | - | 0.00% | 0.00% |
| h) Foreign Venture Capital Funds | | | - | 0.00% | | | - | 0.00% | 0.00% |
| i) Others (specify) | | | - | 0.00% | | | - | 0.00% | 0.00% |
| Sub-total (B)(1): | 877,320 | 152,810 | 1,030,130 | 12.14% | 877,320 | 152,810 | 1,030,130 | 12.14% | 0.00% |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 8,700 | 89,050 | 97,750 | 1.15% | 8700 | 89050 | 97,750 | 1.15% | 0.00% |
| ii) Overseas | | | - | 0.00% | | | - | 0.00% | 0.00% |
| b) Individuals | | | | | | | | | |

| | | | | | | | | | |
|--|------------------|------------------|------------------|----------------|------------------|------------------|------------------|----------------|---------------|
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 429,458 | 868,600 | 1,298,058 | 15.29% | 429458 | 868600 | 1,298,058 | 15.29% | 0.00% |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 422,290 | 374,320 | 796,610 | 9.39% | 422290 | 374320 | 796,610 | 9.39% | 0.00% |
| c) Others (specify) | 139,419 | 1,708,223 | 1,847,642 | 21.77% | 99882 | 1694060 | 1,793,942 | 21.14% | -2.91% |
| Non Resident Indians | | | - | 0.00% | | | - | 0.00% | 0.00% |
| Overseas Corporate Bodies | | | - | 0.00% | | | - | 0.00% | 0.00% |
| Foreign Nationals | | | - | 0.00% | | | - | 0.00% | 0.00% |
| Clearing Members | | | - | 0.00% | | | - | 0.00% | 0.00% |
| Trusts | | | - | 0.00% | | | - | 0.00% | 0.00% |
| Foreign Bodies - D R | | | - | 0.00% | | | - | 0.00% | 0.00% |
| Sub-total (B)(2): | 999,867 | 3,040,193 | 4,040,060 | 47.60% | 960,330 | 3,026,030 | 3,986,360 | 46.97% | -1.33% |
| Total Public (B) | 1,877,187 | 3,193,003 | 5,070,190 | 59.74% | 1,837,650 | 3,178,840 | 5,016,490 | 59.11% | -1.06% |
| C. Shares held by Custodian for GDRs & ADRs | | | - | 0.00% | | | | 0.00% | 0.00% |
| Grand Total (A+B+C) | 2,758,497 | 5,728,843 | 8,487,340 | 100.00% | 2,759,670 | 5,727,670 | 8,487,340 | 100.00% | 0.51% |

(ii) Shareholding of Promoter Group

| S No | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
|------|-------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
| | | No. of Shares | % of total Shares of the company | % of shares Pledged/encumbered to total shares | No. Shares | % of total Shares of the company | % of shares Pledged / encumbered to total shares | |
| 1 | ADAIKALAVAN RAMANATHAN | 8500 | 0.10% | | 8500 | 0.10% | | 0.00% |
| 2 | AHAMED KUTTY PK | 105496 | 1.24% | | 105496 | 1.24% | | 0.00% |
| 3 | AHAMEDKUTTY P K M | 27310 | 0.32% | | 27310 | 0.32% | | 0.00% |
| 4 | ALEY INDIRA KURIVILLA | 67,530 | 0.80% | | 67530 | 0.80% | | 0.00% |
| 5 | AMINA K M | 45212 | 0.53% | | 45212 | 0.53% | | 0.00% |
| 6 | AMINA P K | 31220 | 0.37% | | 31220 | 0.37% | | 0.00% |
| 7 | ASIF MOHAMED P K | 84,620 | 1.00% | | 86120 | 1.01% | | 1.77% |
| 8 | AYISHA P K M | 26,460 | 0.31% | | 26460 | 0.31% | | 0.00% |
| 9 | AYSHA P K | 52,748 | 0.62% | | 52748 | 0.62% | | 0.00% |
| 10 | AYSHA TANYA | 2,500 | 0.03% | | 2500 | 0.03% | | 0.00% |
| 11 | DIVYA ANJALI RAMANATHAN | 24,960 | 0.29% | | 24960 | 0.29% | | 0.00% |
| 12 | FAIZAL P K | 43,470 | 0.51% | | 43470 | 0.51% | | 0.00% |
| 13 | FATHIMA MUBEENA HASHIM | 630 | 0.01% | | 630 | 0.01% | | 0.00% |
| 14 | HARIS P K | 309,140 | 3.64% | | 309140 | 3.64% | | 0.00% |
| 15 | JAMEELA P K | 303,320 | 3.57% | | 303320 | 3.57% | | 0.00% |

| | | | | | | | | |
|----|-----------------------------|------------------|---------------|----------------|------------------|---------------|----------------|--------------|
| 16 | JEYALAKSHMI RAMANATHAN | 110,950 | 1.31% | | 110950 | 1.31% | | 0.00% |
| 17 | KADEEJA P K | 52,748 | 0.62% | | 52748 | 0.62% | | 0.00% |
| 18 | KADER KUTTY P K | 105,496 | 1.24% | | 105496 | 1.24% | | 0.00% |
| 19 | KADERKUTTY P K M | 27,060 | 0.32% | | 27060 | 0.32% | | 0.00% |
| 20 | KHADEEJA P K M | 26,580 | 0.31% | | 26580 | 0.31% | | 0.00% |
| 21 | KURUVILLA A | 13,500 | 0.16% | | 13,500 | 0.16% | | 0.00% |
| 22 | KURUVILLA E J | 7,900 | 0.09% | | 7,900 | 0.09% | | 0.00% |
| 23 | LIZA MAYAN MOHAMED | 43,110 | 0.51% | | 43,110 | 0.51% | | 0.00% |
| 24 | MARIAM MOHAMED P K | 68,400 | 0.81% | | 106860 | 1.26% | | 56.23% |
| 25 | MAYAN MOHAMED P K | 71,150 | 0.84% | 65650 | 72590 | 0.86% | 65650 | 2.02% |
| 26 | MEHABOOB MOHAMED P K | 63,320 | 0.75% | | 64,820 | 0.76% | | 2.37% |
| 27 | MOHAMED P K | 307,190 | 3.62% | 284110 | 315740 | 3.72% | 284110 | 2.78% |
| 28 | MUBEENA SHARIFF | 2,500 | 0.03% | | 2500 | 0.03% | | 0.00% |
| 29 | NASREEN P K | 52,140 | 0.61% | | 52140 | 0.61% | | 0.00% |
| 30 | NIDHYA RAJESWARI GUHAN | 22,690 | 0.27% | | 22690 | 0.27% | | 0.00% |
| 31 | PRADEEP KURUVILLA E | 9,050 | 0.11% | | 9,050 | 0.11% | | 0.00% |
| 32 | PRAKASH KURUVILLA E | 34,900 | 0.41% | | 34,900 | 0.41% | | 0.00% |
| 33 | PUTHIYA KOTTAL HASHIM | 266,140 | 3.14% | | 266140 | 3.14% | | 0.00% |
| 34 | R.MUTHATHA | 57,500 | 0.68% | | 57500 | 0.68% | | 0.00% |
| 35 | RAFIA P K | 323,420 | 3.81% | | 323,420 | 3.81% | | 0.00% |
| 36 | RAMANATHAN RAMASWAMY | 29,380 | 0.35% | | 31630 | 0.37% | | 7.66% |
| 37 | RANJITH KURUVILLA E | 124,620 | 1.47% | | 124,620 | 1.47% | | 0.00% |
| 38 | RAZIA P K | 37530 | 0.44% | | 37530 | 0.44% | | 0.00% |
| 39 | SADIA ZULEKHA HASHIM | 2500 | 0.03% | | 2500 | 0.03% | | 0.00% |
| 40 | SALIM P K | 25170 | 0.30% | | 25170 | 0.30% | | 0.00% |
| 41 | SAQUIB MOHAMED P K | 60,370 | 0.71% | | 60,370 | 0.71% | | 0.00% |
| 42 | SAYEEDA P K | 35,710 | 0.42% | | 35710 | 0.42% | | 0.00% |
| 43 | SEETHA SUBRAMANIAN | 45,040 | 0.53% | | 45040 | 0.53% | | 0.00% |
| 44 | SHAMEEM P K | 40,090 | 0.47% | | 40090 | 0.47% | | 0.00% |
| 45 | SHEREEN SALIM | 2,500 | 0.03% | | 2500 | 0.03% | | 0.00% |
| 46 | THEIVANAI RATHNA RAMANATHAN | 26,120 | 0.31% | | 26120 | 0.31% | | 0.00% |
| 47 | UMAIBAN | 5,500 | 0.06% | | 5500 | 0.06% | | 0.00% |
| 48 | VALLI MUTHURAMAN | 57,500 | 0.68% | | 57500 | 0.68% | | 0.00% |
| 49 | VELLACHI RAMANATHAN | 51,050 | 0.60% | | 51050 | 0.60% | | 0.00% |
| 50 | VIJAYA BHASKAR MENON | 16,510 | 0.19% | | 16510 | 0.19% | | 0.00% |
| 51 | VISALAKSHI RAMANTHAN | 53,630 | 0.63% | | 53630 | 0.63% | | 0.00% |
| 52 | ZAIN MOHAMED MEHABOOB | 2,180 | 0.03% | | 2180 | 0.03% | | 0.00% |
| 53 | ZULEKHA SADIA HASHIM | 2,890 | 0.03% | | 2890 | 0.03% | | 0.00% |
| | TOTAL | 3,417,150 | 40.26% | 349,760 | 3,470,850 | 40.89% | 349,760 | 1.57% |

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

| S No | Reason | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|------|-------------------------------|---|-------------------|---|-------------------|
| | | No. of shares | % of total shares | No. of shares | % of total shares |
| | ASIF MOHAMED P K | | | | |
| | At the beginning of the year | 84,620 | 1.00% | 84,620 | 1.00% |
| | Add: Purchase during the year | 1,500 | 0.02% | 86,120 | 1.01% |
| | At the end of the year | - | 0.00% | 86,120 | 1.01% |
| | MARIAM MOHAMMED P K | | | | |
| | At the beginning of the year | 68,400 | 0.81% | 68,400 | 0.81% |
| | Add: Purchase during the year | 38,460 | 0.45% | 106,860 | 1.26% |
| | At the end of the year | - | 0.00% | 106,860 | 1.26% |
| | MAYAN MOHAMED P K | | | | |
| | At the beginning of the year | 71,150 | 0.84% | 71,150 | 0.84% |
| | Add: Purchase during the year | 1,440 | 0.02% | 72,590 | 0.86% |
| | At the end of the year | - | 0.00% | 72,590 | 0.86% |
| | MEHABOOB MOHAMMED P K | | | | |
| | At the beginning of the year | 63,320 | 0.75% | 63,320 | 0.75% |
| | Add: Purchase during the year | 1,500 | 0.02% | 64,820 | 0.76% |
| | At the end of the year | - | 0.00% | 64,820 | 0.76% |
| | MOHAMED P K | | | | |
| | At the beginning of the year | 307,190 | 3.62% | 307,190 | 3.62% |
| | Add: Purchase during the year | 8,550 | 0.10% | 315,740 | 3.72% |
| | At the end of the year | - | 0.00% | 315,740 | 3.72% |
| | RAMANATHAN RAMASWAMY | | | | |
| | At the beginning of the year | 29,380 | 0.35% | 29,380 | 0.35% |
| | Add: Purchase during the year | 2,250 | 0.03% | 31,630 | 0.37% |
| | At the end of the year | - | 0.00% | 31,630 | 0.37% |

(iv) Shareholding Pattern of top ten Shareholders
(Other than Directors, Promoters and Holders of GDRs and ADRs):

| S No | Name of Shareholder | Shareholding at the beginning of the year | | Shareholding at the end of the year | |
|------|--|---|-------------------|-------------------------------------|-------------------|
| | | No. of shares | % of total shares | No. of shares | % of total shares |
| 1 | LIFE INSURANCE CORPORATION OF INDIA | 916860 | 10.80% | 916860 | 10.80% |
| 2 | SHABIR SHARIF | 180,000 | 2.12% | 180000 | 2.12% |
| 3 | MOHAMED NIZAR P M | 30000 | 0.35% | 105,000 | 1.24% |
| 4 | NATIONAL INSURANCE COMPANY LTD | 71970 | 0.85% | 71970 | 0.85% |
| 5 | UMAYAL.R. | 69400 | 0.82% | 69400 | 0.82% |
| 6 | JITENDRA MANSUKHLAL PAREKH | 66500 | 0.78% | 66500 | 0.78% |
| 7 | JALEEL M.C.M | 66000 | 0.78% | 66000 | 0.78% |
| 8 | ABDULLA K.U | 50000 | 0.59% | 50000 | 0.59% |
| 9 | SHAMEEM ABDULLA B K | 50000 | 0.59% | 50000 | 0.59% |
| 10 | THE ORIENTAL INSURANCE COMPANY LIMITED | 41,300 | 0.49% | 41300 | 0.49% |

(v) Shareholding of Directors and Key Managerial Personnel:

| S No | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year | | Shareholding at the end of the year | |
|------|--|---|-------------------|-------------------------------------|-------------------|
| | | No. of shares | % of total shares | No. of shares | % of total shares |
| 1 | P K Mohamed | 307,190 | 3.62% | 315,740 | 3.72% |
| 2 | P K Mayan Mohamed | 71,150 | 0.84% | 72,590 | 0.86% |
| 3 | T Balakrishnan | - | 0.00% | - | 0.00% |
| 4 | Y H Malegam | 3,140 | 0.04% | 3,140 | 0.04% |
| 5 | Pushya Sitaraman | 0 | 0.00% | 0 | 0.00% |
| 6 | M R Karmachandran | 0 | 0.00% | - | 0.00% |
| 7 | Ranjith Kuruvilla | 124,620 | 1.47% | 124,620 | 1.47% |
| 8 | V Ramachandran | 4,380 | 0.05% | 4,380 | 0.05% |
| 9 | N L Vaidyanathan | 1,000 | 0.01% | 1,000 | 0.01% |
| 10 | Bhaskar Menon | 16,510 | 0.19% | 16,510 | 0.19% |
| 11. | R Balakrishnan | 0 | 0.00% | - | 0.00% |
| 12. | Sathyakrishnan B | 0 | 0.00% | - | 0.00% |

V. INDEBTEDNESS

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

(Amt. Rs.)

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|---------------------|----------|-----------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 363,424,310.00 | 2,849,232.00 | | 366,273,542.00 |
| ii) Interest accrued and due | - | - | | - |
| iii) Interest accrued but not due | 65,211.00 | - | | 65,211.00 |
| Total (i+ii+iii) | 363,489,521.00 | 2,849,232.00 | | 366,338,753.00 |
| Change in Indebtedness during the financial year | | | | |
| * Addition | 43,450,648.00 | 136,516.00 | | 43,587,164.00 |
| * Reduction | (63,551,379.00) | - | | (63,551,379.00) |
| Net Change | 20,100,731.00 | 136,516.00 | - | 19,964,215.00 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 342,924,398.00 | 2,985,748.00 | | 345,910,146.00 |
| ii) Interest accrued and due | 391,677.00 | - | | 391,677.00 |
| iii) Interest accrued but not due | 72,715.00 | - | | 72,715.00 |
| Total (i+ii+iii) | 343,388,790.00 | 2,985,748.00 | - | 346,374,538.00 |

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

| S No | Particulars of Remuneration | Name Designation | Name of MD/WTD/ Manager | | Total Amount (Rs) |
|------|---|------------------|---|--|-------------------|
| | | | P K MOHAMED Managing Director till 29.09 2014 | P K MAYAN MOHAMED Managing Director from 11.11.2014* | |
| 1 | Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | | 1,740,000 | 2,613,333 | 4,353,333 |
| | | | 60,000 | 34,485 | 94,485 |
| | | | | | - |
| 2 | Stock Option | | | | - |
| 3 | Sweat Equity | | | | - |
| 4 | Commission - as 1% of profit - others, specify | | | 478,186 | 478,186 |
| | | | | | - |
| 5 | Others, Provident Fund | | 144,000 | 260,000 | 404,000 |
| | Total (A) | | 1,944,000 | 3,386,004 | 5,330,004 |
| | Ceiling as per the Act | | 1,800,000 | 4,200,000 | 6,000,000 |

* P K Mayan Mohamed was whole time Director upto 14-06-2014, Joint Managing Director from 15-06-2014 to 11-10-2014 and Managing Director from 11-11-2014. Remuneration shown above is the total amount paid to him during the year.

B. Remuneration to other Directors

| S No | Particulars of Remuneration | Name of Directors | | | | | Total Amount (Rs.) |
|------|--|-------------------|--------------------|-------------------|----------------|-------------------|--------------------|
| | | Y H MALEGAM | E RANJITH KURUVILA | MR KARMA-CHANDRAN | T BALAKRISHNAN | PUSHYA SITHARAMAN | |
| 1 | Independent Directors Fee for attending board committee meetings Commission Others, please specify Total (1) | 50,000 | 20,000 | 70,000 | 80,000 | 50,000 | 270,000 |
| | | | | | | | - |
| | | | | | | | - |
| | | 50,000 | 20,000 | 70,000 | 80,000 | 50,000 | 270,000 |
| 2 | Other Non-Executive Directors Fee for attending board committee meetings Commission Others, please specify Total (2) | | | | | | - |
| | | | | | | | - |
| | | | | | | | - |
| | | | | | | | - |
| | Total (B)=(1+2) | 50,000 | 20,000 | 70,000 | 80,000 | 50,000 | 270,000 |
| | Total Managerial Remuneration | | | | | | 5,600,004 |
| | Overall Ceiling as per the Act | | | | | | |

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

| SN. | Particulars of Remuneration Name Designation | Name of Key Managerial Personnel | | Total Amount (Rs/Lac) |
|-----|---|----------------------------------|-------------|--------------------------|
| | | CS | CFO | |
| 1 | Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | 6.68 - | 5.66 - | 6.68 - - |
| 2 | Stock Option | | | - |
| 3 | Sweat Equity | | | - |
| 4 | Commission - as % of profit - others, specify | | | - - |
| 5 | Others, please specify | | | - |
| | Total | 6.68 | 5.66 | 6.68 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

ANNEXURE-5

(A) CONSERVATION OF ENERGY

- a. Energy conservation measures taken:
1. To optimize the lighting load, LUX level measurements were carried out in shop floors and introduced LED lights with low bay and high Bay fittings to conserve lighting energy and maintain efficient lighting.
 2. Installation of Variable Frequency Drives for various applications like Blowers, pumps and installation of star rated air conditioning System.
 3. Modification in electrical logic for automatic switching ON/OFF Operations of hydraulic motors, coolant pumps etc
 4. Conducted a preliminary audit with the help of an external agency to identify energy saving areas.
 5. Modification carried out to the wire guide system of No 3 Hardboard line to reduce air consumption. The finished board separator travel system changed from pneumatic cylinder to motorized conveyor. Both the changes have helped us in reducing the compressed air consumption drastically and we have been able to shut down one of the two screw compressor with power consumption of 75KW each.
- b. Additional investments / proposals being implemented for reduction of Consumption of energy:
1. Constituted energy audit cell has started functioning by carrying out Electrical energy audit in various plants.
 2. Discussion with Bosch to implement energy saving measures.

(B) TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

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

- Application of cashew nut shell liquid (CNSL) in the oil-tempering of hardboard.
- Research and production of modified PF resin in navolac resole stage for cost reduction
- Production and use of biochar from industrial wood wastes.

Benefits derived as a result of the above efforts.

- above 30% of linseed oil was substituted by CNSL in the oil-tempering of hardboard. Resulting in cost reduction.
- Modified PF Resin in Navolac Resole stage was successfully introduced in the production line, reducing the cost of hardboard production.
- Study on wood waste-biochar established a new treatment system for wood waste management.

R & D HIGHLIGHTS FOR 2014 - 2015

- 1 Specific areas in R & D carried out by the Company.
Wood preservation.& Development of Wood panel Products.
Synthetic adhesive and waste management
- 2 Benefits derived as a result of the above R & D addition.
Cost reduction and recognition of Excellence relating to wood panel Products and waste recycling, New product development.
- 3 Future plan of action
 1. Studies on developing a wood and adhesive based on phenol ,formaldehyde, melamine and Urea
 2. Development of vermicompost pellets
 3. Research work on nutrient and/or microbial 'Enrichment of vermicomposting'
 4. Study on the feasibility of FSC Certification of products

Expenditure on R & D:

| | | |
|-------------------------|---|-------------|
| a) Capital | : | Nil |
| b) Recurring (Salaries) | : | 15.11 Lakhs |
| c) Others | : | 3.13 Lakhs |
| d) Total R & D | : | 18.24 Lakhs |
| e) % of Total Turnover | : | 0.20% |

ISO CERTIFICATION

The Certification for ISO 9001-2008 was done by M/s Bureau Veritas Certification (I) private Ltd and the certificate for manufacturing and sales of Hardboard, Wiplac, pre-finished Boards, Plywood, Blockboard, Flush Doors, Densified Wood products and pre-compressed Press Boards is valid up to October, 2017

FOREIGN EXCHANGE EARNINGS AND OUTGO:
(Rs in Lakhs)

| | 2014-15 | 2013-14 |
|---------------------------------|---------|---------|
| Foreign Exchange Earned | 1682.38 | 1505.66 |
| Expenditure in Foreign Exchange | | |
| Foreign Travel | 7.07 | 5.69 |
| Commission | 9.97 | 12.69 |
| Raw Materials | 605.44 | 555.87 |
| Spares | 22.94 | 19.56 |

(Details pursuant to Provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

| Relevant Clause u/r 5(1) | Prescribed Requirement | Particulars | | | | | | | | | | |
|--|---|---|------|-----------------------|------------------------|-------|------------------------------------|------|--------------------------|----|--|---|
| (1) | Ratio of the remuneration of director to the median remuneration of the employee of the company for the Financial year. | <table> <tr> <td>Name</td> <td>Ratio to Median</td> </tr> <tr> <td>Shri P K Mayan Mohamed</td> <td>16.71</td> </tr> <tr> <td>Shri P K Mohamed (upto 29.09.2014)</td> <td>9.59</td> </tr> </table> | Name | Ratio to Median | Shri P K Mayan Mohamed | 16.71 | Shri P K Mohamed (upto 29.09.2014) | 9.59 | | | | |
| Name | Ratio to Median | | | | | | | | | | | |
| Shri P K Mayan Mohamed | 16.71 | | | | | | | | | | | |
| Shri P K Mohamed (upto 29.09.2014) | 9.59 | | | | | | | | | | | |
| (2) | Percentage increase in remuneration of each Director, Chief Financial officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial year | <table> <tr> <td>Name</td> <td>% increase in the CTC</td> </tr> <tr> <td>Shri P K Mayan Mohamed</td> <td>152%</td> </tr> <tr> <td>Shri P K Mohamed</td> <td>-50%</td> </tr> <tr> <td>Shri R Balakrishnan (CS)</td> <td>8%</td> </tr> <tr> <td>Shri Sathyakrishnan B (CF0) (w.e.f 15.06.2014)</td> <td>-</td> </tr> </table> | Name | % increase in the CTC | Shri P K Mayan Mohamed | 152% | Shri P K Mohamed | -50% | Shri R Balakrishnan (CS) | 8% | Shri Sathyakrishnan B (CF0) (w.e.f 15.06.2014) | - |
| Name | % increase in the CTC | | | | | | | | | | | |
| Shri P K Mayan Mohamed | 152% | | | | | | | | | | | |
| Shri P K Mohamed | -50% | | | | | | | | | | | |
| Shri R Balakrishnan (CS) | 8% | | | | | | | | | | | |
| Shri Sathyakrishnan B (CF0) (w.e.f 15.06.2014) | - | | | | | | | | | | | |
| (3) | Percentage increase in the median remuneration of employees in the Financial year. | 7.45% | | | | | | | | | | |
| (4) | Number of permanent employees on the rolls of the Company | 393 in FY 2014-15 (413 in FY 2013-14) | | | | | | | | | | |
| (5) | Explanation on the relationship between average increase in remuneration and Company performance | The average annual increase based on individual performance was 6% The percentage of annual increase is based on the company performance. | | | | | | | | | | |

| (6) | Comparison of the remuneration of the key managerial personnel (KMP) against the performance of the Company | <p>Particulars</p> <p>Total amount of remuneration of KMP 65.64 Lakhs</p> <p>Revenue for the Financial year 2014-15 9195 Lakhs</p> <p>Remuneration of KMP as % of revenue 0.71%</p> <p>Profit Before Tax for the financial year 2014-15 489.13 Lakhs</p> <p>Remuneration of KMP as a % of profit before tax 13.42%</p> | Amount & percentage | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|------------------------|---|--|---------------------|---------------------------------------|-------------------------------------|--------------|-------------------|----------|------------------|-------|---------|-------|--------|-------|-----------------------|-------|---------|-------|--------|-------|---------------------|------|---------|-------|--------|-------|------------------------|------|---------|-------|--------|-------|---------------------------------------|-------------------------------------|--------------|-------------------|----------|
| (7) | Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer. | <p>N.A</p> <p>The Shares of the Company were listed in Madras and Cochin Stock Exchanges and no trading took place in FY 2014-15.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (8) | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration. | <p>Average percentage increase made in the salary of employees other than the managerial personnel in the financial year was 6.34% Average percentage increase in the managerial remuneration was 12.27%</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (9) | Comparison of the each remuneration of the key managerial personnel against the performance of the company. | <table border="1"> <thead> <tr> <th data-bbox="719 1111 906 1272">Name of Director</th> <th data-bbox="906 1111 1015 1272">Remuneration FY 2014-15 (Rs in Lakhs)</th> <th data-bbox="1015 1111 1123 1272">Revenue in FY 2014-15 (Rs in Lakhs)</th> <th data-bbox="1123 1111 1232 1272">% to Revenue</th> <th data-bbox="1232 1111 1326 1272">PBT (Rs in Lakhs)</th> <th data-bbox="1326 1111 1407 1272">% to PBT</th> </tr> </thead> <tbody> <tr> <td data-bbox="719 1272 906 1335">P K Mohamed (MD)</td> <td data-bbox="906 1272 1015 1335">19.44</td> <td data-bbox="1015 1272 1123 1335">9194.87</td> <td data-bbox="1123 1272 1232 1335">0.21%</td> <td data-bbox="1232 1272 1326 1335">489.13</td> <td data-bbox="1326 1272 1407 1335">3.97%</td> </tr> <tr> <td data-bbox="719 1335 906 1397">P K Mayan Mohamed(MD)</td> <td data-bbox="906 1335 1015 1397">33.86</td> <td data-bbox="1015 1335 1123 1397">9194.87</td> <td data-bbox="1123 1335 1232 1397">0.37%</td> <td data-bbox="1232 1335 1326 1397">489.13</td> <td data-bbox="1326 1335 1407 1397">6.92%</td> </tr> <tr> <td data-bbox="719 1397 906 1460">R Balakrishnan (CS)</td> <td data-bbox="906 1397 1015 1460">6.68</td> <td data-bbox="1015 1397 1123 1460">9194.87</td> <td data-bbox="1123 1397 1232 1460">0.07%</td> <td data-bbox="1232 1397 1326 1460">489.13</td> <td data-bbox="1326 1397 1407 1460">1.37%</td> </tr> <tr> <td data-bbox="719 1460 906 1525">Sathyakrishnan B (CFO)</td> <td data-bbox="906 1460 1015 1525">5.66</td> <td data-bbox="1015 1460 1123 1525">9194.87</td> <td data-bbox="1123 1460 1232 1525">0.06%</td> <td data-bbox="1232 1460 1326 1525">489.13</td> <td data-bbox="1326 1460 1407 1525">1.16%</td> </tr> </tbody> </table> | Name of Director | Remuneration FY 2014-15 (Rs in Lakhs) | Revenue in FY 2014-15 (Rs in Lakhs) | % to Revenue | PBT (Rs in Lakhs) | % to PBT | P K Mohamed (MD) | 19.44 | 9194.87 | 0.21% | 489.13 | 3.97% | P K Mayan Mohamed(MD) | 33.86 | 9194.87 | 0.37% | 489.13 | 6.92% | R Balakrishnan (CS) | 6.68 | 9194.87 | 0.07% | 489.13 | 1.37% | Sathyakrishnan B (CFO) | 5.66 | 9194.87 | 0.06% | 489.13 | 1.16% | Remuneration FY 2014-15 (Rs in Lakhs) | Revenue in FY 2014-15 (Rs in Lakhs) | % to Revenue | PBT (Rs in Lakhs) | % to PBT |
| Name of Director | Remuneration FY 2014-15 (Rs in Lakhs) | Revenue in FY 2014-15 (Rs in Lakhs) | % to Revenue | PBT (Rs in Lakhs) | % to PBT | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| P K Mohamed (MD) | 19.44 | 9194.87 | 0.21% | 489.13 | 3.97% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| P K Mayan Mohamed(MD) | 33.86 | 9194.87 | 0.37% | 489.13 | 6.92% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| R Balakrishnan (CS) | 6.68 | 9194.87 | 0.07% | 489.13 | 1.37% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Sathyakrishnan B (CFO) | 5.66 | 9194.87 | 0.06% | 489.13 | 1.16% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (10) | Key parameters for any variable component of remuneration availed by the directors. | <p>Variable pay to the Directors is linked to the financial performance of the company.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (11) | Ratio of the remuneration of the highest paid Director to that of the employees who are not Directors, but receive remuneration in excess of the highest paid Director during the year. | <p>No employee has received remuneration in excess of the highest paid Director during the year under review.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (12) | Affirmation that the remuneration is as per the remuneration policy of the company. | <p>The remuneration is as per the Nomination remuneration and Evaluation policy for the Directors, key managerial personnel and other employees of the company. Formulated pursuant to the provisions of section 178 of the companies Act , 2013</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

REPORT ON CORPORATE GOVERNANCE

The Board of Directors present the Report on the compliance of Corporate Governance for the financial year ended 31.03.2015

CORPORATE GOVERNANCE PHILOSOPHY

As an ISO 9001-2008 unit engaged in manufacture and sale of a range of wood products, the Company assures product quality and accountability and integrity in its operation and also in its relation with shareholders, customers, employees, Government and other business associates.

The Company strives towards ensuring transparency and professionalism in all decisions and spheres of operation, achieving excellence in Corporate Governance by conforming to the prevalent mandatory guidelines on Corporate Governance.

BOARD OF DIRECTORS

Composition:

The Board comprises of eminent persons with considerable professional experience in various fields. The details of Board composition as on 31.03.2015 are appended below:

| Name & Position of the Director | Category | No. of Shares Held in WIP | Attendance at | | Directorships & Chairmanship/ Membership of Board Committees in the other public Companies as on 31.03.2015 | | |
|--|---------------------------|---------------------------|---------------|----------|---|------------------|--------------------|
| | | | Board Meeting | Last AGM | Director | Committee Member | Committee Chairman |
| Shri T Balakrishnan Chairman | Non-Executive Independent | - | 5 | Yes | 7 | 2 | 2 |
| Shri Y H Malegam Director | Non-Executive Independent | 3140 | 3 | No | 4 | 5 | 3 |
| Shri E Ranjith Kuruvilla Director | Non-Executive | 124620 | 2 | No | 6 | - | - |
| Smt Pushya Sitaraman Director | Non-Executive Independent | - | 4 | No | 3 | - | - |
| Shri M R Karmachandran Nominee Director | Non-Executive | - | 5 | Yes | 4 | 4 | - |
| Shri P K Mayan Mohamed Managing Director w.e.f 11.11.2014 | Promoter, Executive | 72590 | 5 | Yes | 3 | - | - |
| Shri V Ramachandran Director upto 10.02.2015 | Non-Executive Independent | 4380 | 0 | No | - | - | - |
| Shri N L Vaidyanathan Director upto 10.02.2015 | Non-Executive Independent | 1000 | 0 | No | - | - | - |
| Shri Bhaskar Menon Director upto 19.05.2015 | Non-Executive Independent | 16510 | 0 | No | 2 | - | - |
| Shri P K Mohamed Managing Director upto 29.09.2014. Passed away on 29.09.2014 | Promoter, Executive | 315740 | 3 | Yes | - | - | - |

BOARD MEETINGS AND ANNUAL GENERAL MEETING

Board Meeting:

During the year 5 Board meetings were held, the dates being 09.05.2014, 12.08.2014, 27.09.2014, 11.11.2014 and 10.02.2015.

The last AGM was held on 27.09.2014

AUDIT COMMITTEE

The Company has constituted an Audit Committee as required under the Companies Act and under the Listing Agreement with the Stock Exchanges. At present there are three members, viz Shri T. Balakrishnan (Chairman), Shri M R Karmachandran and Shri Y H Malegam.

The role, terms of reference and the authority and power of the Audit Committee are in conformity with the requirements of the Companies Act and the Listing Agreement.

The essential functions of the Committee include review of systems and procedures, overseeing the functioning of internal audit, the effectiveness of controls and regulatory compliances. It also reviews with management, the Company's financial statements, and financial reporting process, disclosure of financial information and observations of auditors before submission to the Board. It recommends the appointment of Statutory Auditors and their fees. The audit committee has the following scope

1. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
2. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
3. Discussion with internal auditors any significant findings and follow up there on.
4. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
5. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
6. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
7. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

8. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
9. Review and monitor the auditors independence and performance, and effectiveness of Audit Process.
10. Examination of the financial statement and the auditors report thereon .
11. Approval or any subsequent modification of transaction of the company with related parties.
12. Scrutiny of inter corporate loans and investments.
13. Valuation of undertakings or assets of the Company wherever it is necessary
14. Evaluation of Internal Financial Controls and Risk Management systems.

The Committee held four meetings during the year, on 09.05.2014, 12.08.2014, 11.11.2014 and 10.02.2015 to discuss, inter-alia, the Internal Audit and Internal Control system and limited review carried out by Statutory Auditors.

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

| Sl.No | Name of Director | No of Meetings attended |
|-------|---------------------------------|-------------------------|
| 1. | Shri. T Balakrishnan – Chairman | 4 |
| 2. | Shri. Y.H. Malegam | 2 |
| 3. | Shri. M. R Karmachandran | 4 |

Shri, T Balakrishnan, chaired the Annual General Meeting held on 27.09.2014 at the Registered Office of the Company at Baliapatam and clarified the queries from shareholders.

REMUNERATION OF DIRECTORS

NOMINATION AND REMUNERATION COMMITTEE

The Company's Nomination and Remuneration Committee consists of the following 3 Non-Executive Independent Directors, to encourage good corporate governance.

| Sl.No | Name of Director | No of Meetings attended |
|-------|-----------------------------|-------------------------|
| 1 | Shri Y H Malegam - Chairman | 2 |
| 2 | Shri T. Balakrishnan | 2 |
| 3 | Smt Pushya Sitaraman | 2 |

The broad terms of reference of Nomination and Remuneration Committee includes the following

1. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board, a policy relating to the remuneration for the directors, Key Managerial Personnel and other employees.
2. Formulation of Criteria for evaluation of Independent Directors and the Board.
3. Devising suitable policy on Board diversity
4. Identifying persons who are qualified to become directors and who may be appointed in Senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

5. To Formulate a policy to ensure that
 - a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
 - b. Relationship of remuneration to performance is clear and meets the appropriate performance benchmarks and
 - c. Remuneration to directors, Key Managerial Person and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goal.

Details of Remuneration:

The Non-Executive Directors received a sitting fee of Rs.10,000/- per Board Meeting and Rs.5,000/- per Committee Meeting.

Remuneration paid to Directors:

The details of Remuneration to Non-Executive Directors during the year 2014-15 are given below:

(Amount in Rs.)

| Name of Directors | Board Meetings | Committee Meetings | Total |
|--------------------------|----------------|--------------------|---------------|
| Shri Y H Malegam | 30000 | 20000 | 50000 |
| Shri E Ranjith Kuruvilla | 20000 | 0 | 20000 |
| Shri M R Karmachandran | 50000 | 20000 | 70000 |
| Shri T Balakrishnan | 50000 | 30000 | 80000 |
| Smt Pushya Sitaraman | 40000 | 10000 | 50000 |
| Total | 190000 | 80000 | 270000 |

Details of Remuneration paid or payable to the Directors during the financial year FY 2014-15 are as follows

(Rs in Lakhs)

| Name | Salary | Retirement Benefits | Perquisite | Commission | Sitting fee | Total |
|--------------------------|--------------|---------------------|-------------|-------------|-------------|--------------|
| Shri P K Mohamed | 17.40 | 1.44 | 0.60 | 0 | 0 | 19.44 |
| Shri P K Mayan Mohamed | 26.13 | 2.60 | 0.35 | 4.78 | 0 | 33.86 |
| Shri Y H Malegam | 0 | 0 | 0 | 0 | 0.50 | 0.50 |
| Shri E Ranjith Kuruvilla | 0 | 0 | 0 | 0 | 0.20 | 0.20 |
| Shri M R Karmachandran | 0 | 0 | 0 | 0 | 0.70 | 0.70 |
| Shri T Balakrishnan | 0 | 0 | 0 | 0 | 0.80 | 0.80 |
| Smt Pushya Sitaraman | 0 | 0 | 0 | 0 | 0.50 | 0.50 |
| Total | 43.53 | 4.04 | 0.95 | 4.78 | 2.70 | 56.00 |

STOCK OPTIONS

The Company does not have a scheme for grant of stock options either to the working Directors or employees.

INVESTORS' SERVICE

Shareholders' Relationship Committee

A Shareholders Relationship Committee has been constituted by the Board as per provisions of the Listing Agreement.

The Committee was reconstituted on 11.11.2014 with the following members.

1. Smt Pushya Sitaraman – Chairperson
2. Shri P K Mayan Mohamed – Member

Shareholders' Relationship Committee is authorised to:

1. Monitor the system of share transfer, transmission, sub-division & consolidation of share certificates and issue of duplicate Certificates.
2. Deal with all investor related issues including re-dressal of complaints from shareholders relating to transfer of shares, non- receipt of balance sheet etc.
3. To delegate such powers to company's officers, as may be necessary, including powers to approve transfers, transmissions, authenticate share certificates and to take other actions in relation to Shareholder related matters.

Name and designation of compliance Officer: Shri R Balakrishnan
GM (Finance) & Company Secretary

| | |
|--|-----|
| Statistics of Shareholders' complaints received/redressed, during the year ended | |
| No. of shareholders complaints received and redressed | Nil |
| No. of complaints not resolved to the satisfaction of Shareholders | Nil |
| No. of pending share transfers/transmission as on 31.03.2015 | Nil |

There was no trading of shares in Cochin and Madras stock exchanges where the shares of the company are listed. Hence no market price was available.

GENERAL BODY MEETINGS

Last three Annual General Meetings

| | | |
|------------|---|--------|
| 13.08.2012 | Registered Office, Mill Road, Baliapatam, Cannanore-670 010 | 03 P M |
| 12.08.2013 | Registered Office, Mill Road, Baliapatam, Cannanore-670 010 | 03 P M |
| 27.09.2014 | Registered Office, Mill Road, Baliapatam, Cannanore-670 010 | 03 P M |

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

At the 69 th AGM held on 27.09.2014 one special resolution was passed pertaining to Appointment of Managing Director

At the 68th AGM held on 12/08/2013 one special Resolution was passed pertaining to re-appointment of Managing Director

At the 67th AGM held on 13/08/2012 No special Resolution was passed.

POSTAL BALLOT

During last year, there was no business which had to be conducted through postal ballot.

DISCLOSURES

- i) Disclosures on materially significant related party transactions that may have potential conflict with the interest of Company at large.

Details of transactions of a material nature with any of the related parties as specified in Accounting Standard 18 notified under Companies (Accounting Standard) Rules, 2006 have been reported in the Notes to the Accounts. There was no transaction of a material nature with any of the related parties, which was in conflict with the interest of the Company.

ii) Details of non-compliance by the Company, penalties, and strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets during the last three years. There was no such instance in the last 3 years.

iii) Whistle Blower policy and affirmation that no personnel has been denied access to the Audit Committee. The Board has approved a Whistle Blower Policy which has been communicated to the employees. The policy provides a mechanism for employees to report their concerns about unethical behaviour, actual or suspected, fraud or violation of company's code of conduct and provides safeguards against victimization of employees who avail the mechanism.

iv) Details of compliance with mandatory requirements and adoption of the non- mandatory requirements of this clause.

The Company is compliant with mandatory requirements of clause 49 of the Listing Agreement. As far as the seven non-mandatory requirements are concerned, the Board has set up a Remuneration Committee and also adopted a Whistle Blower Policy, which enables the employees to report concerns about unethical behaviour, actual or suspected, fraud or violation of Company's code of conduct. The policy provides direct access to the Chairman of the Audit Committee under certain circumstances. The policy has been communicated to the employees. Remaining non-mandatory requirements of Clause 49 are expected to be addressed in due course.

MEANS OF COMMUNICATION

Quarterly results are published in the Business Line and a Malayalam newspaper. Immediately after the approval by the Board of Directors, the financial results are transmitted to the Stock Exchanges where the shares of company are listed. The results are also published in the Company's official website.

GENERAL SHAREHOLDER INFORMATION

| Annual General Meeting 2015 | 26 th September, 2015 | | | | | | | | | | |
|-------------------------------|---|-----------------------|-----------------------------|---------------|------------------------------|------------------------------|---------------------------------|---------------|---------------------------------|--------------------------|----------------------------|
| Financial Calendar: | | | | | | | | | | | |
| a) Date of Book Closure | The Share Transfer Books of the Company will remain closed from (17 th September 2015 to 26 th September 2015) | | | | | | | | | | |
| b) Financial Results | <table> <thead> <tr> <th>Result for the period</th> <th>Expected date of Completion</th> </tr> </thead> <tbody> <tr> <td>First Quarter</td> <td>8th August, 2015</td> </tr> <tr> <td>Second Quarter & Half-Yearly</td> <td>14th November, 2015</td> </tr> <tr> <td>Third Quarter</td> <td>14th February, 2016</td> </tr> <tr> <td>Audited Financial Result</td> <td>31st May, 2016</td> </tr> </tbody> </table> | Result for the period | Expected date of Completion | First Quarter | 8 th August, 2015 | Second Quarter & Half-Yearly | 14 th November, 2015 | Third Quarter | 14 th February, 2016 | Audited Financial Result | 31 st May, 2016 |
| Result for the period | Expected date of Completion | | | | | | | | | | |
| First Quarter | 8 th August, 2015 | | | | | | | | | | |
| Second Quarter & Half-Yearly | 14 th November, 2015 | | | | | | | | | | |
| Third Quarter | 14 th February, 2016 | | | | | | | | | | |
| Audited Financial Result | 31 st May, 2016 | | | | | | | | | | |
| c) Listing in Stock Exchanges | <p>1. Cochin Stock Exchange Ltd., MES Building, Kaloor, Cochin-682 012. 2. Madras Stock Exchange Ltd., Exchange Building, 11, Second Line Beach, Chennai – 600 001.</p> <p>Since these two stock exchanges are closed, the company has decided to list its equity shares in the National Stock Exchange.</p> | | | | | | | | | | |

Dividend

A dividend of 7% i.e. Re 0.70 per Equity Share of Rs. 10/- is recommended by the board of directors at their meeting held on 19th May, 2015 Which is subject to the approval of the shareholders at the ensuing Annual General meeting and if approved will be payable on or after the Annual General Meeting but within the statutory time limit of 30 days.

Dividend warrants in respect of shares held in physical form will be posted to members at their registered address within the statutory time limit. Dividend warrants in respect of shares held in electronic form will be posted to the beneficial owners to their addresses as per the information furnished by NSDL and CDSL as on the record date. Warrants for high value amounts will be sent through registered post.

Unpaid Dividend Amount

As per the provisions of Section 205A read with section 205C of the Companies Act, 1956, the Company is required to transfer the unpaid dividend amount which is unclaimed for a period of seven years from the date of declaration of dividend to the Investor Education and Protection Fund (IEPF) setup by Central Government.

Members who have not encashed their Dividend warrants within the validity period may write to the Company at its Registered Office for obtaining payment through demand drafts.

Given below is the due date of the transfer of the unclaimed dividend amount to IEPF by the company.

| Financial Year | Dividend per Share (Rs) | Date of Declaration of Dividend | Due date of transfer to IEPF | Account balance as on 31.03.2015 (Rs) |
|----------------|-------------------------|---------------------------------|------------------------------|---------------------------------------|
| FY 2009-10 | 1.00 | 07.08.2010 | 14.09.2017 | 648400 |
| FY 2010-11 | 1.00 | 13.08.2011 | 20.09.2018 | 729987 |
| FY 2011-12 | 1.20 | 13.08.2012 | 20.09.2019 | 1020484 |
| FY 2012-13 | 0.60 | 12.08.2013 | 19.09.2020 | 634445 |
| FY 2013-14 | 0.60 | 27.09.2014 | 04.11.2021 | 721656 |

Name of Depositories with whom the Company has entered into Agreement:

National Securities Depository Ltd. (NSDL).

ISIN Code: INE 215 F01023

Trade World, A Wing, 5th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai-400 013.

Ph: (022) 24994200, 4972980, Fax: (022) 24976351. E-mail: info@nsdl.co.in

Central Depository Services (India) Limited

ISIN Code: INE 215 F01023

Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street, Mumbai-400023. Ph: 22723333, Fax: 22722072

Registrar & Transfer Agents:

The dematting and physical transfers of shares of the Company are carried out by:

M/s Cameo Corporate Services Ltd.,

"Subramanian Building", No.1, Club House Road, Chennai-600 002

Tel: 044-28460390, Telefax: 044-28460129. E-mail: cameo@cameoindia.com

The physical transfer of shares, which was handled by the Company directly, has also been handed over to the Registrars and Transfer Agents, M/s Cameo Corporate Services, Chennai, as per directions of SEBI.

Shareholders may contact/write to the Secretarial Department of the Company for assistance/information when required.

Share Transfer System:

Approval of Share transfers/transmission and other investor related matters are dealt with by a Sub Committee consisting of Shri P K Mayan Mohamed, Managing Director and Shri R Balakrishnan GM (Finance) & Company Secretary.

Trading in Shares through Stock Exchanges:

No trading in WIP shares was reported in Cochin and Madras Stock Exchanges during the year ended 31-03-2015. Transfers effected during the above period represented inter family transfers, transmissions and sales outside the Stock Exchange between private parties.

DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH 2015

| Shareholder category | No. of shares | Percentage |
|------------------------|---------------|------------|
| Promoters | 3470850 | 40.89 |
| Financial Institutions | 1030130 | 12.14 |
| Bodies Corporate | 97750 | 1.15 |
| Public | 3888610 | 45.82 |
| Total | 8487340 | 100.00 |

DISTRIBUTION OF SHAREHOLDING ACCORDING TO SIZE OF HOLDING

| Shareholding Rs.. Rs.. | Shareholders | | Share Amount | |
|---------------------------|--------------|------------|--------------|------------|
| | Number | % of Total | Rs. | % of Total |
| 10 to 5000 | 604 | 36.65 | 1318860 | 1.55 |
| 5001 to 10000 | 304 | 18.45 | 2416240 | 2.85 |
| 10001 to 20000 | 273 | 16.57 | 4103300 | 4.83 |
| 20001 to 30000 | 104 | 6.31 | 2609800 | 3.08 |
| 30001 to 40000 | 68 | 4.13 | 2388300 | 2.82 |
| 40001 to 50000 | 46 | 2.79 | 2130900 | 2.51 |
| 50001 to 100000 | 129 | 7.82 | 9853900 | 11.61 |
| 100001 and above | 120 | 7.28 | 60052100 | 70.75 |
| Total | 1648 | 100.00 | 84873400 | 100.00 |

DEMATERIALISATION OF SHARES:

The Company has entered into agreement with National Securities Depository Services Ltd. (NSDL) from 15th March 2003 onwards and with Central Depository Services (India) Ltd., (CDSL) from 3rd July 2004 onwards for having the Company's Shares traded in electronic form. As on 31-03-2015, 30.44% (2583755 Shares) of Equity Capital are held in dematerialized form with NSDL and 2.07% (175915 Shares) with CDSL.

PLANT LOCATION:

Mill Road, Baliapatam, Cannanore-670 010, Kerala.

OFFICE AND ADDRESS FOR COMMUNICATION

Registered Office:

Mill Road Baliapatam Cannanore-670 010, Kerala.

Phone: 0497-2778151 (4 Lines), Fax: 0497-2778181

E-mail: westernply@gmail.com / mail@wipltd.in

Website: www.wipltd.in

On behalf of the Board of Directors

Place: Cochin

Date: 08.08.2015

T. Balakrishnan

Chairman

CONFIRMATION OF CODE OF CONDUCT

To

The members of the Western India Plywoods Ltd

Pursuant to clause 49II (E) of the Listing Agreement, I hereby confirm that, for the financial year ended 31-03-2015 all the Board members and the Senior Management Personnel have affirmed compliance with the code of conduct framed by the Company.

Place: Cochin

Date: 08.08.2015

Sd/-

PK Mayan Mohamed

Managing Director

CERTIFICATE OF CEO AND CFO ON FINANCIAL STATEMENTS UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To the Board Directors of the Western India Plywoods Limited

We, hereby certify that:

We, P.K Mayan Mohamed, Managing Director and Sathyakrishnan B , Chief Financial Officer of the Western India Plywoods Ltd, hereby certify that:

- a) We have reviewed financial statements and the cash flow statements for the financial year ended March 31, 2015 and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii. These statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct
- c) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee that:
 - i. there have been no significant changes in accounting policies during the year and
 - ii. there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Cochin

Date: 08.08.2015

P K Mayan Mohamed

Managing Director

Sathyakrishnan B

Chief Financial Officer

CERTIFICATE

The Members, The Western India Plywoods Limited
Kannur

1. We have examined the compliance of conditions of corporate governance by The Western India Plywoods Limited, Kannur for the year ended 31.03.2015 as stipulated in clause 49 of the Listing Agreement of the said company with stock exchanges in India.
2. The compliance of conditions of corporate governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the above-mentioned Listing Agreement.
4. We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For **VARMA & VARMA**
Chartered Accountants
FRN 004532S

VIJAY NARAYAN GOVIND
Partner
M. No. 203094

Place: Cochin
Date : 08.08.2015

MANAGEMENT DISCUSSION AND ANALYSIS

This report is prepared in compliance with the requirement of the Corporate Governance Code as per the listing agreement. It covers both performance and outlook of the Company. The Management accepts its responsibility for the integrated objectivity of the financial statements.

1) **INDUSTRY STRUCTURE AND DEVELOPMENT:**

The Company caters to variety of segments like Railways, Automobiles, Electricals, Construction and other industries. As there is acute shortage of good raw material for the production of plywood, the Company had started a joint venture company in Malaysia to get continuous supply of quality raw materials. This has solved to a certain extent the availability of raw materials for plywood production. As regards hardboard production, the Company is getting the raw material mainly from Govt. of Kerala. As there is a boom in the construction industry the Company has sufficient orders in hand. The price of these raw materials have been increasing over the years.

2) **OPPORTUNITIES AND THREATS:**

The competition from other manufacturers for plywood and cheap import of Hardboard could affect the operation and profitability of the Company. The price of the raw materials, labour cost etc. has increased and the company could not fully pass on the escalated cost to the customers. The Company has been maintaining high quality for its products and the same are accepted in the market and the Company does not anticipate any marketing problem. More over Company is in operation for more than 69 years and it could establish a good market in the domestic as well as international markets. The Company has a well established R&D unit approved by the Central Government and is also developing new products to meet the requirement of the market. The Company believes from experience, customers loyalty in the long run will prove beneficial in facing the challenges faced by the industry.

3) PRODUCTWISE PERFORMANCE (Rs.in Lakhs)

| PRODUCT | 2014-15 | 2013-14 |
|----------------------|-----------------|-----------------|
| Hardboard | 6144.02 | 5792.72 |
| Plywood | 1723.48 | 1833.35 |
| Densified Wood | 1385.63 | 1819.24 |
| Pre-compressed Board | 231.20 | 248.60 |
| Pre-finished Board | 171.15 | 202.94 |
| Furniture | 224.08 | 209.32 |
| Veneer | 113.96 | - |
| Other Sales | 66.31 | 44.16 |
| TOTAL | 10059.83 | 10150.33 |

4) Industrial Relations:

The industrial segment was peaceful during the year. The Management wishes to acknowledge the efforts made by employees in the smooth working of the Company.

5) Internal control System

The Company has a well defined internal control system to ensure that the assets are safe and transactions are authorised, recorded and correctly reported. The Board is of the view that existing control methods which are reviewed periodically, are operating satisfactorily.

6) Material Development in Human Resources and Industrial Relations including no. of people employed:

The man power strength of the Company as on 31.3.2015 was 393 including 21 Management staff. Being an ISO 9001-2008 certified Company, the Company conducts regular training programmes for the employees to impress on them the need for quality, productivity and transparency. These measures have helped to achieve cost effectiveness and improve the overall operational efficiency.

7) Discussion on financial performance with respect to operational performance.

The overall improvement in the economy and increased demand in electrical, transport industries has helped to increase turn over.

8) Cautionary statement:

As stated earlier statements in the Management discussion and analysis report are in accordance with the Company's objectives, projections, estimates and expectations and may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied and changes in Government regulations, tax laws and other statutes may effect the working of the Company.

9) Statutory Compliance:

The Company has ensured compliance of SEBI regulations and provisions of the Listing Agreement with the stock exchanges at cochin and Chennai during the year.

10) Information on non-mandatory requirements

The Company has not issued any GDR/ADR/Warrants or any convertible instruments. The Company is not maintaining a separate office for the Chairman

On behalf of the Board of Directors

Place: Cochin
Date: 08.08.2015

Chairman

INDEPENDENT AUDITORS' REPORT

To the Members of The Western India Plywoods Limited,
Kannur.

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **The Western India Plywoods Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Sub section (11) of Section 143 of the Companies Act, 2013, we give in the Annexure 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 purpose of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on 31st March, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164(2) of the Act.
 - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note No 31.01 and 31.02 to the standalone financial statements.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **VARMA & VARMA**
Chartered Accountants
FRN 004532S

VIJAY NARAYAN GOVIND
Partner
M. No. 203094

Place: Cochin
Date : 19.05.2015

ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR INDEPENDENT AUDIT REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF THE WESTERN INDIA PLYWOODS LIMITED FOR THE YEAR ENDED 31ST MARCH 2015

1. (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, the fixed assets of the company are physically verified by the management in accordance with a phased programme, which in our opinion is reasonable having regard to the size of the Company and nature of its assets and in accordance with the said programme, certain fixed assets have been physically verified during the year by the management and that no material discrepancies have been noticed on such verification.
2. (a) We are informed, that the inventory (other than stock of timber lying in the pond and finished goods lying with agency depots) have been physically verified by the management at the year end, the frequency of which, in our opinion, is reasonable, having regard to the size of the Company and nature of its business.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) The Company is maintaining proper records of inventory and as informed to us, no discrepancies of material nature were noticed on physical verification by the management.
3. According to the information and explanations given to us and the records of the company examined by us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties requiring to be entered in the register in terms of Section 189 of the Companies Act, 2013. Accordingly, the reporting requirements under clauses (iii) (a) and (iii) (b) of the paragraph 3 of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and nature of its business for the purchase of inventory and fixed assets and for sale of goods. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in the internal control system.
5. The Company has not accepted any deposits from the public during the year and hence, the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable.
6. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Act for the Company at this stage.
7. (a) As per the information and explanations furnished to us and according to our examination of the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employee’s State Insurance, Income Tax, Sales Tax, Wealth tax, Service tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other statutory dues, as applicable to the Company with the appropriate authorities during the year.

There are no arrears of undisputed statutory dues outstanding at the last day of the financial year for a period of more than six months from the date on which they become payable.

- (b) According to the information and explanations given to us and the records of the Company examined by us, the following disputed amounts have not been deposited with the authorities as at 31st March 2015 as per details given below.

| Nature of dues | Statute | Amount (Rs in Lakhs) | Period to which the amount relates | Forum where the dispute is pending |
|----------------|----------------------|-------------------------|---------------------------------------|---------------------------------------|
| Income Tax | Income Tax Act, 1961 | 29.23 | 2011-12 (AY 2012-13) | Commissioner Income Tax (Appeals) |

- (c) According to the information and explanations given to us and the records of the Company examined by us, there are no amounts required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder.
8. The Company does not have any accumulated losses as at the end of the financial year and the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
 9. In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of dues to the financial institutions or banks.
 10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
 11. According to the information and explanations given to us and as per the records of the Company examined by us, the term loans availed by the Company have been applied for the purpose for which the loans were obtained.
 12. During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of material fraud on or by the Company, noticed or reported during the year, nor have been informed of such case by the Management.

For **VARMA & VARMA**
Chartered Accountants
FRN 004532S

VIJAY NARAYAN GOVIND
Partner
M. No. 203094

Place: Cochin
Date : 19-05-2015

BALANCE SHEET AS AT 31.03.2015

| | Note No. | As at 31 st March 2015 (Rs.) | As at 31 st March 2014 (Rs.) |
|------------------------------------|-----------|---|---|
| EQUITY AND LIABILITIES | | | |
| Shareholders' Funds | | | |
| (a) Share Capital | 02 | 103,873,400 | 103,873,400 |
| (b) Reserves and Surplus | 03 | 294,071,712 | 270,129,280 |
| | | 397,945,112 | 374,002,680 |
| Non-Current Liabilities | | | |
| (a) Long Term Borrowings | 04 | 73,668,697 | 70,929,338 |
| (b) Deferred Tax Liabilities (net) | 05 | 24,263,000 | 26,804,000 |
| (c) Long Term Provisions | 06 | 1,637,432 | 1,600,457 |
| Current Liabilities | | | |
| (a) Short Term Borrowings | 07 | 235,433,597 | 259,002,826 |
| (b) Trade Payables | 08 | 65,181,048 | 56,863,997 |
| (c) Other Current Liabilities | 09 | 80,992,942 | 82,756,953 |
| (d) Short Term Provisions | 10 | 29,333,977 | 27,515,257 |
| Total | | 908,455,805 | 899,475,508 |
| ASSETS | | | |
| Non-Current Assets | | | |
| (a) Fixed Assets | | | |
| (i) Tangible Assets | 11 | 167,349,923 | 185,850,155 |
| (ii) Capital Work in Progress | 11 | 2,049,564 | - |
| (b) Non-Current Investments | 12 | 89,685,529 | 80,509,529 |
| (c) Long-Term Loans and Advances | 13 | 12,937,367 | 19,726,647 |
| Current assets | | | |
| (a) Inventories | 14 | 385,605,042 | 381,284,311 |
| (b) Trade Receivables | 15 | 173,165,936 | 141,509,429 |
| (c) Cash & Cash Equivalents | 16 | 44,731,382 | 41,298,313 |
| (d) Short Term Loans and Advances | 17 | 22,925,908 | 29,996,867 |
| (e) Other Current Assets | 18 | 10,005,154 | 19,300,257 |
| Total | | 908,455,805 | 899,475,508 |

For and on behalf of the Board of Directors

As per our separate report of even date attached

P.K MAYAN MOHAMED

 Managing Director
(DIN 00026897)

T. BALAKRISHNAN

 Chairman
(DIN 00052922)

 For **M/s. Varma & Varma**

 Chartered Accountants
(FRN - 004532S)

R. BALAKRISHNAN

 G.M.(Finance) & Company
Secretary (M No 7119)

SATHYAKRISHNAN.B

Chief Financial Officer

VIJAY NARAYAN GOVIND

 Partner
M. No: 203094

 Place: Cochin
Date: 19.05.2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2015

| | Note No. | For the year ended 31 st March 2015 (Rs.) | For the year ended 31 st March 2014 (Rs.) |
|---|----------------|--|--|
| REVENUE FROM OPERATIONS | | | |
| Revenue from Operations (Gross) | 19 | 1,008,950,953 | 1,017,592,184 |
| Less: Excise Duty | | 89,463,798 | 94,667,778 |
| Revenue from Operations (Net) | | 919,487,155 | 922,924,406 |
| Other Income | 20 | 3,910,175 | 1,777,084 |
| Total Revenue | | 923,397,330 | 924,701,490 |
| EXPENDITURE | | | |
| Cost of Materials Consumed | 21 | 392,192,098 | 430,516,081 |
| Purchase of Traded goods | 22 | 2,829,618 | - |
| Changes in Inventories of Finished Goods and Work-in-process | 23 | (1,577,575) | (16,410,781) |
| Employee Benefits Expense | 24 | 145,850,657 | 132,630,352 |
| Finance costs | 25 | 38,984,907 | 35,286,946 |
| Depreciation (Refer Note No 11.02) | 11 | 19,248,147 | 48,610,306 |
| Other expenses | 26 | 276,956,333 | 281,498,942 |
| Total Expenses | | 874,484,185 | 912,131,846 |
| Extraordinary items | | - | - |
| Profit before tax | | 48,913,145 | 12,569,644 |
| Less: Tax expense | | | |
| - Current Tax | | 18,359,000 | 10,020,000 |
| - Deferred Tax | | (2,326,855) | (5,703,000) |
| - Provision no longer required written back | | - | (9,927,634) |
| | | 16,032,145 | (5,610,634) |
| Profit for the year after tax | | 32,881,000 | 18,180,278 |
| Earnings per Equity Share (Nominal Value of Rs 10/- (Rs 10/-) (Basic & Diluted) | 27 | 3.71 | 1.97 |
| Significant Accounting Policies and Notes on accounts | 1 to 36 | | |

For and on behalf of the Board of Directors

As per our separate report of even date attached

P.K MAYAN MOHAMED

Managing Director
(DIN 00026897)

R. BALAKRISHNAN

G.M.(Finance) & Company
Secretary (M No 7119)

Place: Cochin

Date: 19.05.2015

T. BALAKRISHNAN

Chairman
(DIN 00052922)

SATHYAKRISHNAN.B

Chief Financial Officer

For M/s. Varma & Varma

Chartered Accountants
(FRN - 0045325)

VIJAY NARAYAN GOVIND

Partner

M. No: 203094

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

| | For the year ended 31 st March 2015 (Rs.) | | For the year ended 31 st March 2014 (Rs.) | |
|---|--|--------------------|--|-------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Net Profit/(Loss) for the year before extraordinary items | | 32,881,000 | | 18,180,278 |
| Add: Adjustments for Non-Cash items: | | | | |
| Depreciation | 19,248,147 | | 48,610,306 | |
| Provision for Taxation | 18,359,000 | | 92,366 | |
| Deferred tax | (2,326,855) | | (5,703,000) | |
| Interest Income | (1,419,795) | | (5,162,964) | |
| Dividend Income | (17,125) | | (13,750) | |
| Interest Expense | 37,926,740 | | 39,869,129 | |
| (Profit)/Loss on Sale of Assets | 188,255 | | 113,304 | |
| Provision/ creditors no longer required written back | (2,501,105) | | (454,100) | |
| Provision for doubtful debts/Advances | 5,078,995 | | 2,286,797 | |
| Provision for doubtful investment | 1,500,000 | | - | |
| Bad debts written off | 571,105 | 76,607,362 | - | 79,638,088 |
| Operating Profit before Working Capital Changes | | 109,488,362 | | 97,818,366 |
| Adjustment for changes in: | | | | |
| (Increase)/ Decrease Inventories | (4,320,731) | | (19,477,379) | |
| (Increase)/ Decrease Trade Receivables & Other current assets | (27,440,401) | | 6,116,089 | |
| (Increase)/ Decrease Loans and Advances | 4,240,019 | | (705,330) | |
| Increase/ (Decrease) Trade Payables & Other Current liabilities | 3,007,175 | (24,513,938) | (27,790,292) | (41,856,912) |
| Cash generated from Operations | | 84,974,424 | | 55,961,455 |
| Income Tax Paid | | 15,137,582 | | 13,512,208 |
| Net Cash from Operating Activities Total (A) | | 69,836,842 | | 42,449,247 |

| | | | |
|--|--------------|---------------------|---------------------|
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Investments | (10,676,000) | | (34,000,000) |
| Loans to subsidiaries | 10,920,220 | | 30,963,398 |
| Sale of Fixed Assets | 200,000 | | 220,000 |
| Purchase of Fixed Assets-including Capital Work in progress | (3,815,755) | | (13,231,328) |
| Interest received | 1,419,795 | | 1,962,671 |
| Dividend Income | 17,125 | | 13,750 |
| Total (B) | | (1,934,615) | (14,071,509) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Redemption of preference shares | - | | (2,000,000) |
| Increase/(Decrease) in Long term borrowings | 2,814,157 | | (38,691,383) |
| Increase/(Decrease) in Short term borrowings | (23,569,229) | | 13,704,679 |
| Interest paid | (37,527,559) | | (39,846,361) |
| Dividend Paid | (5,287,856) | | (7,402,404) |
| Corporate Dividend tax paid | (898,671) | | (1,258,039) |
| Total (C) | | (64,469,158) | (75,493,508) |
| Total Cash Flow for the year (A + B + C) | | 3,433,069 | (47,115,771) |
| Add: Opening Cash and Cash Equivalents | | 41,298,313 | 88,414,084 |
| Closing Cash and Cash Equivalents | | 44,731,382 | 41,298,313 |

Cash and cash equivalents at the end of the year includes Rs 37,54,974 /- (Rs 31,16,820) amount deposited in unclaimed Dividend Account of which is earmarked for payment of dividend and cannot be used for any other purpose.

Cash and cash equivalents at the end of the year includes balances with banks in deposit accounts Rs 84,74,587/- (Rs 72,63,248) held as security for availing Letter of Credit and Bank guarantee facilities.

For and on behalf of the Board of Directors

As per our separate report of even date attached

P.K MAYAN MOHAMED
Managing Director
(DIN 00026897)

T. BALAKRISHNAN
Chairman
(DIN 00052922)

For **M/s. Varma & Varma**
Chartered Accountants
(FRN - 004532S)

R. BALAKRISHNAN
G.M.(Finance) & Company
Secretary (M No 7119)

SATHYAKRISHNAN.B
Chief Financial Officer

VIJAY NARAYAN GOVIND
Partner
M. No: 203094

Place: Cochin
Date: 19.05.2015

NOTE - 1
SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2015.

a. Basis of preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b. Use of Estimates

The presentation of financial statements in conformity with the generally accepted accounting principles require estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known /materialised.

c. Fixed Assets and Depreciation

(i) Fixed Assets are stated at cost, less depreciation and impairment loss if any.

(ii) Depreciation is provided over the useful lives of the asset as prescribed under Schedule II of the Companies Act, 2013 as under:

- in respect of assets acquired prior to 1-4-1975, on WDV basis.
- on assets acquired after 1-4-1975, on SLM basis.

d. Impairment of Assets

The company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. An asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. Based on such assessment, impairment loss if any is recognized in the Statement of Profit and Loss of the period in which the asset is identified as impaired. The impairment loss recognised in the prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

e. Foreign Currency Transactions

Transactions in Foreign currency during the year are accounted at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency outstanding at the Balance Sheet date are translated at the applicable exchange rates prevailing at the year-end. The exchange gain/loss arising during the year is adjusted to the Statement of Profit and Loss.

Premium or discount arising on inception of forward exchange contracts, which are intended to hedge the foreign currency risk of existing assets or liabilities has been amortised as income /expense over the life of the contract and exchange differences on such contracts are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change.

f. Investments

Long Term Investments are stated at cost. Decline in value, if any, which is not considered temporary in nature, is provided for.

g. Inventories

Inventories are valued at lower of cost or net realisable value, item wise. For this purpose, the cost of bought-out inventories comprise of the purchase cost of the items, net of applicable tax/duty credits and cost of bringing such items into the factory on a weighted average basis. The cost of manufactured inventories comprises of the direct cost of production plus appropriate overheads. The net realizable value of bought out inventories is taken at their current replacement value.

h. Revenue recognition

- a) Sales are recognized on transfer of title of the goods to the respective parties and are inclusive of Excise Duty, but exclusive of Sales tax and Value Added Tax.
- b) Other incomes are recognized on accrual basis except when there are significant un-certainties.
- c) Export incentives are recognized on accrual basis.

i. Employee Benefits:

i. Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and recognised in the period in which the employee renders the related service.

ii. Defined Contribution Plans

The company has defined contribution plans for employees comprising of Provident Fund and Employee's State Insurance. The contributions paid/payable to these plans during the year are charged to the Statement of Profit and Loss for the year.

iii. Defined Benefit Plans

Payment of Gratuity to employees is covered by the Group Gratuity cum Assurance Scheme of the LIC of India, which is a defined benefit scheme and the company makes contributions under the said scheme. The net present value of the obligation for gratuity benefits as determined on independent actuarial valuation, conducted annually using the projected unit credit method, as adjusted for unrecognized past services cost if any and as reduced by the fair value of plan assets, is recognised in the accounts. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

iv. Long Term Employee Benefits

The company has a scheme for compensated absences for employees, the liability of which is determined on the basis of an independent actuarial valuation carried out at the end of the year, using the projected unit credit method. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

j. Research and Development

Revenue Expenditure on Research and Development is charged to the Statement of Profit and Loss. Capital expenditure thereon is capitalized.

k. Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of fixed assets, which take substantial period of time to get ready for their intended use, are capitalized. Other borrowing costs are recognized as expenditure for the period in which they are incurred.

l. Income Tax

Income tax is accounted in accordance with Accounting Standard on Accounting for Taxes on Income (AS-22), which includes current taxes and deferred taxes. Deferred Tax assets/ liabilities representing timing differences

between accounting income and taxable income are recognized to the extent considered capable of being reversed in subsequent years. Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available, except that deferred tax assets arising due to unabsorbed depreciation and losses are recognised if there is a virtual certainty that sufficient future taxable income will be available to realise the same. Deferred Tax Assets/Liabilities is measured, using the tax rate enacted or substantively enacted by the Balance sheet date.

m. Earnings Per Share

Basic/ diluted earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares/ dilutive potential equity shares outstanding as at the end of the year as the case may be.

n. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the company has a present obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the correct management estimates.

Contingent Liabilities are disclosed when the company has a possible obligation or a present obligation and it is probable that a cash flow will not be required to settle the obligation.

Contingent assets are neither recognized nor disclosed in the accounts.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

| Note No | Particulars | As at 31 st March 2015 (Rs.) | As at 31 st March 2014 (Rs.) |
|-----------|---|---|---|
| 02 | SHARE CAPITAL | | |
| | Authorised Shares | | |
| | 1,00,00,000 (1,00,00,000) Equity Shares of Rs.10/- each | 100,000,000 | 100,000,000 |
| | 15,00,000 (15,00,000) Redeemable Preference Shares of Rs.100/- each | 150,000,000 | 150,000,000 |
| | TOTAL | 250,000,000 | 250,000,000 |
| | Issued Shares | | |
| | 86,32,470 (86,32,470) Equity Shares of Rs.10/- each | 86,324,700 | 86,324,700 |
| | 1,90,000 (1,90,000) 6% Redeemable Cumulative Preference Shares of Rs.100/- each | 19,000,000 | 19,000,000 |
| | TOTAL | 105,324,700 | 105,324,700 |
| | Subscribed & Paid Up | | |
| | 84,87,340 (84,87,340) Equity Shares of Rs. 10/- each fully paid up | 84,873,400 | 84,873,400 |
| | 1,90,000 (1,90,000) 6% Redeemable Cumulative Preference Shares of Rs.100/- each | 19,000,000 | 19,000,000 |
| | | 103,873,400 | 103,873,400 |

02.01 Reconciliation of Shares at the beginning and at the end of the financial year.

| | | 31 st March 2015 | | 31 st March 2014 | |
|-------------|--|-----------------------------|------------|-----------------------------|------------|
| | | No. of shares | Amount Rs | No. of shares | Amount Rs |
| (i) | Equity Shares | | | | |
| | At the beginning of the period | 8,487,340 | 84,873,400 | 8,487,340 | 84,873,400 |
| | At the end of the period | 8,487,340 | 84,873,400 | 8,487,340 | 84,873,400 |
| (ii) | Preference Shares | | | | |
| | a) 6% Redeemable Cumulative Preference Shares of Rs.100/- each | | | | |
| | At the beginning of the period | - | - | 210,000 | 21,000,000 |
| | Less: Redeemed during the period | - | - | 210,000 | 21,000,000 |
| | At the end of the period | - | - | - | - |
| b) | 6% Redeemable Cumulative Preference Shares of Rs.100/- each | | | | |
| | At the beginning of the period | 190,000 | 19,000,000 | - | - |
| | Add: Issued during the period | - | - | 190,000 | 19,000,000 |
| | At the end of the period | 190,000 | 19,000,000 | 190,000 | 19,000,000 |

02.02 Terms/ Rights Attached to Equity Shares

The Company has only one class of equity shares having par value of Rs.10/ each. Each holder of an equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting.

During the year ended 31st March 2015, the amount of per share dividend recommended for distribution to equity share holders is Rs 0.70 (Previous year Rs 0.60)

In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

02.03 Terms of redemption of Preference Shares

Each holder of preference share is entitled to one vote per share on a resolution placed before the Company which directly affect the rights attached to the preference shareholders. All Preference Shares outstanding at the year end are redeemable on 30th January, 2017 and carry cumulative dividend @ 6%.

During the year ended 31st March 2015, the amount of per share dividend recommended for distribution to preference share holders is Rs 6/- (Previous year Rs 6/-)

02.04 Details of Shareholders holding more than 5% shares in the Company

| | | 31 st March 2015 | | 31 st March 2014 | |
|------|---|-----------------------------|--------------|-----------------------------|--------------|
| | | No. of shares | % of holding | No. of shares | % of holding |
| (i) | Equity Shares Life Insurance Corporation of India | 916,860 | 10.80% | 916,860 | 10.80% |
| (ii) | 6% Redeemable Cumulative Preference Shares of Rs.100/- each Vigfin Holdings Private Limited | 190,000 | 100% | 190,000 | 100% |

| Note No | Particulars | As at 31 st March 2015 (Rs) | As at 31 st March 2014 (Rs) |
|-----------|---|--|--|
| 03 | RESERVES & SURPLUS | | |
| (i) | Capital Reserve | 1,503,230 | 1,503,230 |
| (ii) | Capital Redemption Reserve | 113,000,000 | 111,000,000 |
| | Add: Additions During the Year | - | 2,000,000 |
| | Closing | 113,000,000 | 113,000,000 |
| (iii) | Securities Premium Account | 44,196,050 | 44,196,050 |
| (iv) | Export Profit Reserve | 1,924,094 | 1,924,094 |
| (v) | General reserve | 8,032,000 | 8,032,000 |
| (vi) | Surplus | | |
| | Opening Balance | 101,473,906 | 92,708,603 |
| | Add : Net Profit/(Loss) after tax as per Statement of Profit & Loss | 32,881,000 | 18,180,278 |
| | Less: Adjustments for assets having no remaining useful life (Net of Deferred Tax) (Refer Note No 11.02) | 415,877 | - |

| | | |
|---|--------------------|--------------------|
| Less: Appropriation | | |
| Dividend on preference shares paid | - | 1,050,000 |
| Proposed Dividend - Preference Shares (Refer Note no 02.03) | 1,140,000 | 195,452 |
| Proposed Dividend - Equity Share (Refer Note no 02.02) | 5,941,138 | 5,092,404 |
| Dividend tax | 1,441,553 | 1,077,119 |
| Transfer to Capital Redemption Reserve | - | 2,000,000 |
| Closing balance | 125,416,338 | 101,473,906 |
| TOTAL | 294,071,712 | 270,129,280 |

| Note No | Particulars | As at 31 st March 2015 (Rs) | As at 31 st March 2014 (Rs) |
|-----------|--|--|--|
| 04 | LONG TERM BORROWINGS | | |
| | Secured Loans (See Note No 04.01 & 04.02) | | |
| | Term Loan: | | |
| | - From Banks | 33,453,872 | 5,709,769 |
| | - From Others | 40,214,825 | 65,219,569 |
| | TOTAL | 73,668,697 | 70,929,338 |
| | <i>Refer Note No.09 for current maturities of the above loans.</i> | | |

04.01 Details of Security

a) From Banks

(i) Term Loan from Axis Bank Ltd- Loans I & II

Secured by equitable mortgage of 386.75 cents commercial land of the company and also by the personal guarantee of the Managing Director. Loan II is further secured by way of personal guarantee of new shareholder Directors who takes over the rights/shares of former Managing Director Late. Mr. P.K. Mohamed

(ii) Term Loan from ICICI Bank Ltd

Secured by hypothecation of the assets procured by availing the said loan and also by the personal guarantee of the Managing Director.

b) From Others

(i) KSIDC Loan 1 & Loan II

Secured on paripassu basis by mortgage of all immovable properties, present and future, and movable properties, including Machinery, Machinery spares, Tools and Accessories, present and future (save and except book debts), subject to prior charges created or to be created, except exclusive charge given to State Bank of India and Indian Overseas Bank for loan availed during the prior years. The loans are also secured by way of mortgage of land of subsidiary company M/s Kohinoor Saw Mill Company Ltd together with Buildings, Plant and Machinery and Fixed Assets and Fittings thereon and also charge on 3.10 Acres of Land, Buildings, Plant and Machinery and Fixed Assets and Fittings of Subsidiary company M/s Southern Veneers and Woodworks Ltd; and by personal guarantee of Managing Director.

04.02 Repayment and other terms
(Figures in Rs)

| Particulars | Terms | Long Term | Current Maturity |
|-----------------------|--|----------------------------|----------------------------|
| From Banks | | | |
| Axis Bank Term Loan 1 | The term loan was availed during the year 2012 and carries interest rate of 12.75%. The loan is repayable in 36 equated monthly installments of Rs 10,07,210/- from August,2012 | - (2,948,633) | 2,775,915 (10,766,862) |
| Axis Bank Term Loan 2 | The term loan was availed during the year 2015 and carries interest at a rate of 1.5% above the Bank's Base Rate- currently at 10.15%, presently applicable rate being 11.65%. The rate of interest is subject to revision from time to time at the discretion of the bank. The loan is repayable in 59 installments of Rs. 6,67,000/- and final installment at Rs. 6,47,000/- commencing from March 2015. | 31,329,000 | 8,004,000 |
| ICICI Bank | Loan was taken during the year 2013 and carries interest rate of 10.25%. The loan is repayable in 60 equated monthly installments of Rs 74,165/- each from February, 2014. | 2,124,872 (2,761,136) | 636,264 (574,519) |
| From Others | | | |
| KSIDC Loan I | Loan was taken during the year 2006 and carries interest rate of 9%. The loan is repayable in 17 equal half yearly installments of Rs 1,08,82,352/- each from November 2009. | 32,179,298 (53,948,747) | 21,764,704 (21,764,704) |
| KSIDC Loan II | Loan was taken during the year 2009 and carries interest rate of 9%. The loan is repayable in 15 equal half yearly installments of Rs 16,17,647/- each from November 2009. | 8,035,527 (11,270,822) | 3,235,294 (3,235,294) |
| | Current Year | 73,668,697 | 36,416,177 |
| | Previous Year | (70,929,338) | (36,341,379) |

| Note No | Particulars | As at 31 st March 2015 (Rs) | As at 31 st March 2014 (Rs) |
|-----------|--|--|--|
| 05 | DEFERRED TAX LIABILITIES | | |
| | A. Deferred Tax Liability | | |
| | On excess of net book value over Income tax written down value of fixed assets | 33,807,000 | 36,971,000 |
| | B. Deferred Tax Assets | | |
| | On Provisions | 9,544,000 | 10,167,000 |
| | Deferred Tax Liabilities (Net) | 24,263,000 | 26,804,000 |
| 06 | LONG TERM PROVISIONS | | |
| | Provision for employee benefits (Note No. 06.01) | 1,637,432 | 1,600,457 |
| | For Compensated absences | 1,637,432 | 1,600,457 |

06.01 Disclosures required under Accounting Standard 15 - "Employee Benefits"
a. Defined Contribution Plans

During the year the following amounts have been recognised in the Statement of Profit and Loss on account of defined contribution plans:

| Particulars | 2014-15 (Rs) | 2013-14 (Rs) |
|--|--------------|--------------|
| Employers contribution to Provident Fund | 9,126,580 | 9,310,516 |
| Employers contribution to Employee's State Insurance | 3,649,531 | 3,809,134 |

| b. Defined Benefit Plans - Gratuity: Funded Obligation | Current Year | Previous Year |
|--|---|---|
| i. Actuarial Assumptions | | |
| Discount Rate (per annum) | 8.50% | 8.50% |
| Expected return on plan assets | 8.00% | 8.00% |
| Salary escalation rate* | 5.00% | 5.00% |
| Mortality rate | Indian Assured Lives (1994-1996) Ultimate | Indian Assured Lives (1994-1996) Ultimate |

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

| | | |
|--|--------------------------|---------------------------|
| ii. Reconciliation of present value of obligation | Current Year (Rs) | Previous Year (Rs) |
| Present value of obligation at the beginning of the year | 42,542,663 | 45,367,400 |
| Current Service Cost | 1,553,785 | 1,705,229 |
| Interest Cost | 3,682,162 | 3,928,701 |
| Actuarial (gain)/ loss | 5,940,631 | 2,140,489 |
| Benefits Paid | (16,237,767) | (10,599,156) |
| Present value of obligation at the end of the year | 37,481,474 | 42,542,663 |
| iii. Reconciliation of fair value of plan assets | | |
| Fair value of plan assets at the beginning of the year | 29,964,326 | 13,483,864 |
| Expected return on plan assets | 2,397,146 | 1,078,709 |
| Actuarial (gain)/ loss | 105,924 | 623,578 |
| Contributions | 12,384,503 | 25,377,331 |
| Benefits paid | (16,237,767) | (10,599,156) |
| Assets distributed on settlement (if applicable) | | |
| Fair value of plan assets at the end of the year | 28,614,132 | 29,964,326 |
| iv. Description of Plan Assets | | |
| Insurer Managed Funds (LIC of India) | 28,614,132 | 29,964,326 |

| v. | Net (Asset)/ Liability recognized in the Balance Sheet as at year end | 2014-15 (Rs) | 2013-14 (Rs) | 2012-13 (Rs) | 2011-12 (Rs) | 2010-11 (Rs) |
|----|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Present value of obligation at the end of the year | 37,481,474 | 42,542,663 | 45,367,400 | 33,370,895 | 41,680,910 |
| | Fair value of plan assets at the end of the year | 28,614,132 | 29,964,326 | 13,483,864 | 18,230,894 | 13,417,660 |
| | Net present value of funded obligation recognized as (asset)/ liability in the Balance Sheet | 8,867,342 | 12,578,337 | 31,883,536 | 15,140,001 | 28,263,250 |

| vi. | Expenses recognized in the Statement of Profit and Loss | Current Year (Rs) | Previous Year (Rs) |
|-----|--|-------------------|--------------------|
| | Current Service Cost | 1,553,785 | 1,705,229 |
| | Interest Cost | 3,682,162 | 3,928,701 |
| | Actuarial (gain)/ loss recognized in the period | 5,834,707 | 1,516,911 |
| | Past Service Cost (if applicable) | | |
| | Expected return on plan assets | (2,397,146) | (1,078,709) |
| | Total expenses recognized in the Statement of Profit and Loss for the year | 8,673,508 | 6,072,132 |
| | Actual return on plan assets | | |

The above disclosures are based on information furnished by the independent actuary and relied upon by the auditors.

c. Long Term Employee Benefits

Compensated absences (Vesting and Non Vesting): Unfunded Obligation

| i. Actuarial Assumptions | | Current Year | Previous Year |
|--------------------------|---------------------------|---|---|
| | Discount Rate (per annum) | 8.50% | 8.50% |
| | Salary escalation rate* | 5.00% | 5.00% |
| | Mortality rate | Indian Assured Lives (1994-1996) Ultimate | Indian Assured Lives (1994-1996) Ultimate |

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

| ii. | Reconciliation of present value of obligation | Current Year (Rs) | Previous Year (Rs) |
|-----|--|-------------------|--------------------|
| | Present value of obligation at the beginning of the year | 2,027,738 | 2,151,385 |
| | Current Service Cost | 335,257 | 321,955 |
| | Interest Cost | 186,606 | 196,550 |
| | Actuarial (gain)/ loss | (264,933) | (204,353) |
| | Benefits Paid | (247,822) | (437,799) |
| | Present value of obligation at the end of the year | 2,036,846 | 2,027,738 |

| iii. | Net (Asset)/ Liability recognized in the Balance Sheet as at year end | Current Year (Rs) | Previous Year (Rs) |
|------|--|-------------------|--------------------|
| | Present value of obligation at the end of the year | 2,036,846 | 2,027,738 |
| | Fair value of plan assets at the end of the year | - | - |
| | Net present value of unfunded obligation recognized as (asset)/ liability in the Balance Sheet | 2,036,846 | 2,027,738 |
| iv. | Expenses recognized in the Statement of Profit and Loss | | |
| | Current Service Cost | 335,257 | 321,955 |
| | Interest Cost | 186,606 | 196,550 |
| | Actuarial (gain)/ loss recognized in the period | (264,933) | (204,353) |
| | Past Service Cost (if applicable) | | |
| | Total expenses recognized in the Statement of Profit and Loss for the year | 256,930 | 314,152 |

The above disclosures are based on information furnished by the independent actuary and relied upon by the auditors.

| Note No | Particulars | As at 31 st March 2015 (Rs) | As at 31 st March 2014 (Rs) |
|-----------|--|--|--|
| 07 | SHORT TERM BORROWINGS | | |
| | Loans repayable on demand | | |
| | - Working capital loans from Banks (Secured) (Note 07.01) | 216,082,546 | 242,236,356 |
| | - Loan from related parties (Unsecured) | | |
| | - From Directors (Note 07.02) | 145,786 | 2,849,233 |
| | - From Others - Estate of Late Mr P K Mohamed (Note 07.02) | 2,839,963 | - |
| | Others | | |
| | - Buyers credit from Banks (Secured) (Note 07.03) | 16,365,302 | 13,917,237 |
| | | 235,433,597 | 259,002,826 |

07.01 Working Capital loans availed from banks are repayable on demand and are secured by Hypothecation of Raw Materials, Work In Process, Finished Goods, Receivables and other current assets of the Company. The above loans are also secured by pari pasu second charge over the entire fixed assets of the company and the personal guarantee of the Managing Director.

07.02 Loan from the Directors and Others are repayable on demand.

07.03 Buyers credit from State Bank of India & Dena Bank have been availed under the existing limits of Letter of Credit sanctioned by the bank and are secured by goods procured under the said facility. The above loans are also secured by pari pasu second charge over the entire fixed assets of the company and the personal guarantee of the Managing Director. Buyers Credit from banks are repayable within a period of 180 days from the date of said loan.

| Note No | Particulars | As at 31 st March 2015 (Rs) | As at 31 st March 2014 (Rs) |
|-----------|-----------------------|--|--|
| 08 | TRADE PAYABLES | | |
| | Trade payables | 65,181,048 | 56,863,997 |
| | | 65,181,048 | 56,863,997 |

08.01 Trade payable includes dues to subsidiary companies:

- Southern Veneers & Woodworks Limited Rs 33,21,612/- (Rs 28,55,165/-)

08.02 The company has taken steps to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act 2006 and the same is in progress. Based on available information, there are no balance outstanding as payable to such suppliers as at the year end. In the opinion of the management there are no amounts paid/payable towards interest under the said statute.

| Note No | Particulars | As at 31 st March 2015 (Rs) | As at 31 st March 2014 (Rs) |
|-----------|---|---|---|
| 09 | OTHER CURRENT LIABILITIES | | |
| | Current Maturities of Long Term Debts (<i>Note No. 04.02</i>) | 36,416,177 | 36,341,379 |
| | Interest Accrued and due on borrowings | 391,677 | - |
| | Interest Accrued but not due on Borrowings | 72,715 | 65,211 |
| | Others | | |
| | Advance from customers | 6,638,881 | 8,406,864 |
| | Trade Deposits | 3,559,183 | 3,559,183 |
| | Unpaid Dividend* | 3,754,974 | 3,116,820 |
| | Statutory Dues | 4,899,921 | 6,520,453 |
| | Excise Duty on closing stock | 22,626,598 | 21,378,897 |
| | Other current liabilities | 2,632,816 | 3,368,146 |
| | | 80,992,942 | 82,756,953 |

* Does not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund

| Note No | Particulars | As at 31 st March 2015 (Rs) | As at 31 st March 2014 (Rs) |
|-----------|---|---|---|
| 10 | SHORT TERM PROVISIONS | | |
| | Provision for Employee Benefits (<i>Note 06.01</i>) | | |
| | For Gratuity | 8,867,342 | 12,578,337 |
| | For Compensated Absences | 399,414 | 427,281 |
| | | 9,266,756 | 13,005,618 |
| | Other Provisions | | |
| | For Income Tax | 11,544,530 | 8,323,112 |
| | For Corporate Dividend | 7,081,138 | 5,287,856 |
| | For Corporate Dividend Tax | 1,441,553 | 898,671 |
| | | 29,333,977 | 27,515,257 |

NOTE 11 - FIXED ASSETS TANGIBLE ASSETS

[Figures in Rupees]



| Particulars | GROSS BLOCK - AT COST | | | | DEPRECIATION | | | | NET BLOCK | |
|----------------------------------|----------------------------------|---------------------------------|--|----------------------------------|--------------------------------|--|--|----------------------------------|------------------------------|------------------------------|
| | As at 01.04.2014 | Additions during the year | Adjustments /Deductions during the year | As at 31.03.2015 | As at 01.04.2014 | For the year (Refer Note No. 11.02 below) | Adjustments /Deductions during the year | As at 31.03.2015 | As at 31.03.2015 | As at 31.03.2014 |
| Free Hold Land | 4,080,685 (4,080,685) | - - | - - | 4,080,685 (4,080,685) | - - | - - | - - | - - | 4,080,685 (4,080,685) | 4,080,685 (4,080,685) |
| Lease Hold Land | 241,921 (241,921) | - - | - - | 241,921 (241,921) | - - | - - | - - | - - | 241,921 (241,921) | 241,921 (241,921) |
| Buildings | 21,575,312 (21,575,312) | 50,000 - | - - | 21,625,312 (21,575,312) | 13,336,551 (12,735,287) | 1,219,671 (601,264) | - - | 14,556,222 (13,336,551) | 7,069,090 (8,238,761) | 8,238,761 (8,840,025) |
| Plant & Equipment | 1,189,821,028 (1,182,797,124) | 771,010 (7,023,904) | - - | 1,190,592,038 (1,189,821,028) | 1,030,009,316 (983,492,495) | 15,646,106 (46,516,821) | - - | 1,045,655,422 (1,030,009,316) | 144,936,616 (159,811,712) | 159,811,712 (199,304,629) |
| Vehicles | 26,398,417 (21,301,223) | 724,348 (5,979,688) | 680,004 (882,494) | 26,442,761 (26,398,417) | 13,996,765 (13,269,176) | 2,186,570 (1,276,779) | 291,749 (549,190) | 15,891,586 (13,996,765) | 10,551,175 (12,401,652) | 12,401,652 (8,032,047) |
| Furniture & Fittings | 1,911,170 (1,837,360) | 36,428 (73,810) | - - | 1,947,598 (1,911,170) | 1,148,094 (1,073,132) | 578,745 (74,962) | - - | 1,726,839 (1,148,094) | 220,759 (763,076) | 763,076 (764,228) |
| Computer | 3,013,944 (2,860,018) | 184,405 (153,926) | - - | 3,198,349 (3,013,944) | 2,701,596 (2,561,116) | 247,076 (140,480) | - - | 2,948,672 (2,701,596) | 249,677 (312,348) | 312,348 (298,902) |
| Current Year | 1,247,042,477 | 1,766,191 | 680,004 | 1,248,128,664 | 1,061,192,322 | 19,878,168 | 291,749 | 1,080,778,741 | 167,349,923 | 185,850,155 |
| Previous Year | (1,234,693,643) | (13,231,328) | (882,494) | (1,247,042,477) | (1,013,131,206) | (48,610,306) | (549,190) | (1,061,192,322) | (185,850,155) | (221,562,437) |
| Capital Work in Progress at Cost | | | | | | | | | 2,049,564 | - |
| | | | | | | | | | - | - |

Note 11.01

Consequent to Schedule II of the Companies Act, 2013 becoming applicable with effect from 01.04.2014, depreciation for the year has been provided on the basis of useful lives prescribed in the aforesaid Schedule II. This has an impact of reducing depreciation for the year by an amount of Rs 2,78,98,028/-

Note 11.02

Depreciation for the year includes transitional adjustments consequent to application of Schedule II of the Companies Act, 2013 Rs 6,30,021/- (Nil) representing carrying amount of assets with no further useful lives. Such transitional adjustments (net of deferred tax) Rs 4,15,877/- (Nil) has been adjusted against the opening balance of Retained Earnings.

| Note No | Particulars | As at 31 st March 2015 (Rs) | As at 31 st March 2014 (Rs) |
|-----------|---|---|---|
| 12 | NON CURRENT INVESTMENT - LONG TERM | | |
| 1) | Investment in equity instruments | | |
| | Trade - Unquoted | | |
| (a) | In Subsidiary Companies | | |
| | 50,000 (50,000) Equity Shares of Rs. 100/- each in Southern Veneers & Woodworks Limited | 5,000,000 | 5,000,000 |
| | 4,540 (4,540) Equity Shares of Rs. 100/- each in Kohinoor Saw Mill Company Limited. | 454,100 | 454,100 |
| | 18,11,500 (11,31,500) Equity Shares of Malaysian Ringgit 1/- each in ERA & WIP Timber JV SDN BHD, Malaysia | 26,498,870 | 15,822,870 |
| | 99,101 (99,101) Equity Shares of Rs 100/- each in Mayabandar Doors Ltd. (Refer Note 12.01) | 23,225,459 | 23,225,459 |
| | 3,40,000 (3,40,000) 6% Non-Cumulative Redeemable Preference Shares of Rs 100/- each in Mayabandar Doors Ltd. (Refer Note 12.01) | 34,000,000 | 34,000,000 |
| | | 89,178,429 | 78,502,429 |
| (b) | Others | | |
| | 6,000 (6,000) Equity Shares of Rs. 100/- each in Kutty Flush Doors and Furniture Co. (P) Ltd. | 325,100 | 325,100 |
| | Non trade - Quoted | | |
| | 2500 (2500) Equity Shares of Rs. 2/- (PY Rs.2/-) each in HDFC Bank Ltd. Listed but quote not available | 5,000 | 5,000 |
| | 10,000 (10,000) Equity Shares of Rs. 10/- each in Keltron Component Complex Ltd | 100,000 | 100,000 |
| | Less : Provision | (100,000) | (100,000) |
| | | - | - |
| | Non Trade - Unquoted | | |
| | 10,000 (10,000) Equity Shares of Rs. 10/- each in Transformers and Electricals Kerala Ltd. | 100,000 | 100,000 |
| | 5,000 (5,000) Equity Shares of Rs. 10/- each in Steel Complex Ltd. | 50,000 | 50,000 |
| | Less : Provision | (50,000) | (50,000) |
| | | 100,000 | 100,000 |
| 2) | Investment in Debentures | | |
| | Trade Unquoted | | |
| | 150 (150) Debentures of Rs. 10000/- each in Kutty Flush Doors and Furniture Co. (P) Ltd. | 1,500,000 | 1,500,000 |
| | Less Provision | (1,500,000) | - |
| | | - | 1,500,000 |

| Note No | Particulars | As at 31 st March 2015 (Rs) | As at 31 st March 2014 (Rs) |
|---------|--|---|---|
| 3) | Investment in Government and Trust Securities | | |
| | National Savings Certificates | 77,000 | 77,000 |
| | TOTAL INVESTMENTS | 89,685,529 | 80,509,529 |
| | Aggregate amount of Quoted Investments | 5,000 | 5,000 |
| | Aggregate Market Value of Quoted investments | 2,557,125 | 1,872,000 |
| | Aggregate amount of Unquoted Investments | 89,680,529 | 80,504,529 |
| | Provision for Diminution in value of investments | 1,650,000 | 150,000 |

12.01 In view of the business plan of the subsidiary company M/s Mayabandar Doors Limited which is expected to bring in positive cash flow in near future, the management is of the opinion that no diminution in value of investment in subsidiary company is anticipated at this stage and hence no provision is made.

| Note No | Particulars | As at 31 st March 2015 (Rs) | As at 31 st March 2014 (Rs) |
|---------|--|---|---|
| 13 | LONG TERM LOANS AND ADVANCES (Unsecured, considered good) | | |
| | Capital Advances | 3,600,000 | - |
| | Security deposit | 8,903,829 | 8,802,923 |
| | Advances | | |
| | - Subsidiary - ERA & WIP Timber JV SDN BHD (Refer Note No-13.01) | 3,504 | 10,923,724 |
| | - Others | 430,034 | - |
| | (Unsecured, considered doubtful) | | |
| | Security Deposits | 798,921 | 625,251 |
| | Less: Provision for doubtful security deposits | (798,921) | (625,251) |
| | | - | - |
| | Other loans and advances | | |
| | Advances recoverable in cash or in kind or value to be received | 1,616,132 | 3,487,237 |
| | Less: Provision for doubtful advances | (1,616,132) | (3,487,237) |
| | | - | - |
| | TOTAL | 12,937,367 | 19,726,647 |

13.01 Represents advance towards Capital Contribution Rs 3,504/- (Rs 1,09,23,724/-)

| Note No | Particulars | As at 31 st March 2015 (Rs) | As at 31 st March 2014 (Rs) |
|-----------|--|---|---|
| 14 | INVENTORIES | | |
| | Raw Materials (including stock in transit Rs. 60,05,562/- (Rs 55,39,774/-)) | 26,212,600 | 22,511,974 |
| | Work-in-progress (Veneer) | 41,844,960 | 44,495,080 |
| | Finished Goods (Refer Note 14.2) (including stock in transit Rs2,62,471/- (Rs 7,37,893 /-)) | 269,351,555 | 265,123,860 |
| | Stores and Spares (including stock in transit Rs2,17,023/- (Rs Nil)) | 48,195,927 | 49,153,397 |
| | | 385,605,042 | 381,284,311 |

14.01 Method of valuation of inventories - See Note 1(h) of Significant Accounting Policies.

14.02 Details of closing stock of inventory of finished goods

| Note No | Particulars | As at 31 st March 2015 (Rs) | As at 31 st March 2014 (Rs) |
|---------|-------------|---|---|
| | Plywood | 92,647,353 | 102,826,947 |
| | Hardboard | 40,840,633 | 27,438,762 |
| | Compreg | 126,137,472 | 131,317,326 |
| | Others | 9,726,097 | 3,540,825 |
| | | 269,351,555 | 265,123,860 |

| Note No | Particulars | As at 31 st March 2015 (Rs) | As at 31 st March 2014 (Rs) |
|-----------|--|---|---|
| 15 | TRADE RECEIVABLES | | |
| | Aggregate amount of Trade Receivables outstanding for a period exceeding six months from the date they are due for payment | | |
| | Unsecured, Considered Good | 33,896,642 | 36,935,331 |
| | Considered Doubtful | 16,097,000 | 11,191,675 |
| | Less: Provision for doubtful debts | (16,097,000) | (11,191,675) |
| | | 33,896,642 | 36,935,331 |
| | Other Debts | | |
| | Unsecured, Considered Good | 139,269,294 | 104,574,098 |
| | | 173,165,936 | 141,509,429 |

| Note No | Particulars | As at 31 st March 2015 (Rs) | As at 31 st March 2014 (Rs) |
|-----------|--|---|---|
| 16 | CASH AND CASH EQUIVALENTS | | |
| | Cash on hand | 1,075,926 | 3,859,552 |
| | Cheques on hand | 4,607,899 | 3,776,756 |
| | Balance with Banks | | |
| | - in Current Accounts (See Note 16.01) | 20,572,970 | 26,398,757 |
| | - in Deposit Accounts (See Note 16.02) | 18,474,587 | 7,263,248 |
| | | 44,731,382 | 41,298,313 |

16.01 Balances with banks in current account include amount deposited in unclaimed Dividend Account of Rs 37,54,974/- (Rs 31,16,820/-) which is earmarked for payment of dividend and cannot be used for any other purpose.

16.02 Balance with banks in deposit accounts include Rs 84,74,587/- (Rs 72,63,248/-) which represents Margin money deposits held as security for availing Letter of Credit and Bank guarantee facilities from various Banks.

| Note No | Particulars | As at 31 st March 2015 (Rs) | As at 31 st March 2014 (Rs) |
|-----------|---|---|---|
| 17 | SHORT TERM LOANS AND ADVANCES (Unsecured, considered good) | | |
| | Loans and advances to related parties (Subsidiary companies) | | |
| | - ERA & WIP Timber JV SDN BHD | 3,733,483 | 5,028,257 |
| | - The Kohinoor Saw Mill Company Limited | 997,859 | 1,130,692 |
| | Others | | |
| | - Prepaid Expenses | 1,602,376 | 1,651,033 |
| | - Advance to Employees | 3,569,497 | 3,506,856 |
| | - Balance with Central Excise, Customs etc. | 1,947,328 | 1,341,407 |
| | - Other advances recoverable in cash or in kind | 11,075,365 | 17,338,622 |
| | | 22,925,908 | 29,996,867 |

| Note No | Particulars | As at 31 st March 2015 (Rs) | As at 31 st March 2014 (Rs) |
|-----------|-----------------------------|---|---|
| 18 | OTHER CURRENT ASSETS | | |
| | Interest Receivable | | |
| | From Related Parties | | |
| | - Mayabandar Doors Limited | 7,719,838 | 7,719,838 |
| | From Others | 291,446 | 165,156 |
| | Others | | |
| | VAT refund receivable | 955,524 | 10,384,967 |
| | Drawback Claim receivable | 1,038,346 | 1,030,296 |
| | | 10,005,154 | 19,300,257 |

| Note No | Particulars | For the year Ended 31 st March 2015 (Rs.) | For the year Ended 31 st March 2014 (Rs.) |
|-------------------|--|--|--|
| 19 | REVENUE FROM OPERATIONS | | |
| | SALE OF PRODUCTS | | |
| | Plywood | 172,348,428 | 183,335,307 |
| | Hardboard | 614,402,385 | 579,271,784 |
| | Pre Compressed Board | 23,120,090 | 24,860,415 |
| | Compreg | 138,562,695 | 181,923,975 |
| | Pre Finished Board | 17,114,988 | 20,294,111 |
| | Furniture | 22,408,150 | 20,931,902 |
| | Veneer | 11,395,551 | - |
| | Other Miscellaneous Sales | 6,630,837 | 4,416,004 |
| | 1,005,983,124 | 1,015,033,498 | |
| | OTHER OPERATING REVENUE | | |
| Export Incentives | 2,967,829 | 2,558,686 | |
| | 2,967,829 | 2,558,686 | |
| | Revenue from Operations (Gross) | 1,008,950,953 | 1,017,592,184 |
| | Less: Excise Duty | 89,463,798 | 94,667,778 |
| | Revenue from Operations (Net) | 919,487,155 | 922,924,406 |
| 20 | OTHER INCOME | | |
| | Job Work Charges | 659,331 | 258,172 |
| | VAT Refund | 1,288,785 | - |
| | Dividend Income | 17,125 | 13,750 |
| | Net gain on foreign currency translation | - | 1,022,062 |
| | Miscellaneous Income | 14,934 | 29,000 |
| | Liabilities/Provisions no longer required written back | 1,930,000 | 454,100 |
| | 3,910,175 | 1,777,084 | |
| 21 | COST OF MATERIALS CONSUMED | | |
| | Inventory at the beginning of the year | 22,511,974 | 19,969,179 |
| | Add: Purchases | 395,892,724 | 433,058,876 |
| | Less: Inventory at the end of the year | 26,212,600 | 22,511,974 |
| | Cost of raw materials consumed | 392,192,098 | 430,516,081 |
| 21.01 | Details of raw materials consumed | | |
| | Timber | 31,774,985 | 31,420,001 |
| | Firewood | 184,521,504 | 166,127,862 |
| | Veneer | 109,552,081 | 154,520,125 |
| | Others | 66,343,528 | 78,448,093 |
| | 392,192,098 | 430,516,081 | |

| Note No | Particulars | For the year Ended 31 st March 2015 (Rs.) | For the year Ended 31 st March 2014 (Rs.) |
|---------|--|--|--|
| 22 | PURCHASE OF TRADED GOODS | | |
| | Veneer | 2,829,618 | - |
| | Total | 2,829,618 | - |
| 23 | CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS | | |
| | Inventory at the beginning of the year | | |
| | Finished Goods (Refer Note 14.02) | 265,123,860 | 247,379,814 |
| | Work-in-progress (Veneer) | 44,495,080 | 45,828,345 |
| | | 309,618,940 | 293,208,159 |
| | Inventory at the end of the year | | |
| | Finished Goods (Refer Note 14.02) | 269,351,555 | 265,123,860 |
| | Work-in-progress (Veneer) | 41,844,960 | 44,495,080 |
| | 311,196,515 | 309,618,940 | |
| | (1,577,575) | (16,410,781) | |
| 24 | EMPLOYEE BENEFITS EXPENSE | | |
| | Salaries, Wages and Bonus (Refer Note No 24.01) | 119,829,725 | 109,409,844 |
| | Contribution to Provident and Other Funds | 12,776,111 | 13,119,650 |
| | Workmen and Staff Welfare Expenses | 4,075,370 | 3,609,836 |
| | Gratuity | 8,912,521 | 6,176,870 |
| | Leave Encashment | 256,930 | 314,152 |
| | | 145,850,657 | 132,630,352 |

24.01 Includes Rs 16,64,453/-being remuneration to the Managing Director for the period from 11th November, 2014 to 31st March, 2015, which has been provided in the accounts based on the recommendation of the Remuneration Committee at their meeting held on 11.11.2014 and approved by the Board of Directors at their meeting held on 11.11.2014. Approval from the shareholders under Companies Act, 2013 is being sought at the ensuing General Meeting.

| Note No | Particulars | For the year Ended 31 st March 2015 (Rs.) | For the year Ended 31 st March 2014 (Rs.) |
|---------|-------------------------|--|--|
| 25 | FINANCE COSTS | | |
| | Interest expenses | 37,926,740 | 39,869,129 |
| | Less: Interest received | (1,419,795) | (5,162,964) |
| | Net | 36,506,945 | 34,706,165 |
| | Other Borrowing Cost | 2,477,962 | 580,781 |
| | 38,984,907 | 35,286,946 | |

| Note No | Particulars | For the year Ended 31 st March 2015 (Rs.) | For the year Ended 31 st March 2014 (Rs.) |
|--------------|--|--|--|
| 26 | OTHER EXPENSES | | |
| | Consumptions of stores and spares | 1,276,256 | 1,254,745 |
| | Packing and Forwarding cost | 23,950,619 | 18,073,490 |
| | Road Freight | 29,187,772 | 25,412,762 |
| | Power & Fuel | 144,788,299 | 145,938,526 |
| | Job Work Charges | 1,973,718 | 15,458,577 |
| | Rent | 1,500,528 | 1,522,002 |
| | Repairs & Maintenance | | |
| | Machinery | 28,958,492 | 29,583,555 |
| | Building | 601,033 | 598,385 |
| | Others | 1,926,634 | 1,426,105 |
| | Commission and Discount | 10,342,631 | 11,809,501 |
| | Insurance | 2,664,148 | 2,203,048 |
| | Rates & Taxes | 5,457,738 | 6,457,048 |
| | Payments to Auditors (<i>See Note 26.01 below</i>) | 893,756 | 897,397 |
| | Bad debts/ Irrecoverable deposits and advances | 571,105 | - |
| | Less Provision made | (571,105) | - |
| | | - | - |
| | Provision for irrecoverable debts/advances | 5,078,995 | 2,286,797 |
| | Provision for investment in debenture | 1,500,000 | - |
| | Net loss on foreign currency translation | 246,211 | - |
| | Travelling expenses | 5,975,296 | 5,934,804 |
| | Directors Sitting fees | 270,000 | 235,000 |
| | Legal & Professional Charges | 1,241,711 | 1,019,169 |
| | Security Charges | 2,112,281 | 1,912,360 |
| | Bank Charges | 851,557 | 984,415 |
| | Excise Duty on closing stock | 763,383 | 2,169,686 |
| | Miscellaneous expenses | 5,395,275 | 6,321,570 |
| | | 276,956,333 | 281,498,942 |
| 26.01 | Payments to Auditors | | |
| | a) Statutory audit fee | 450,000 | 450,000 |
| | b) Other services | | |
| | i) Taxation matters (including tax audit) | 80,000 | 80,000 |
| | ii) Others | 363,756 | 367,397 |
| | Total | 893,756 | 897,397 |

| Note No | Particulars | For the year Ended 31 st March 2015 (Rs.) | For the year Ended 31 st March 2014 (Rs.) |
|---------|---|--|--|
| 27 | Earnings per equity share | | |
| | Profit after taxation (Rs) | 32,881,000 | 18,180,278 |
| | Less: Dividend on preference shares & Tax thereon | 1,372,077 | 1,457,117 |
| | Net profit available to Equity Shareholders (Rs) | 31,508,923 | 16,723,161 |
| | Weighted Average Number of Equity Shares of Rs. 10/- each (fully paid-up) | 8,487,340 | 8,487,340 |
| | Earnings per share - Basic & Diluted (Rs) | 3.71 | 1.97 |

28 The company had entered into an agreement with M/s Era Intermerge SDN BHD in an earlier year for setting up a Joint Venture entity (ERA & WIP Timber JV SDN BHD) in Malaysia as per which the company would have 45% share in ownership and voting in the JV. Pending completion of certain formalities in Malaysia, the Joint Venturer M/s ERA Intermerge SDN BHD has been unable to make their agreed share of investment, as a result of which the share holding of the company in the entity as at 31st March 2015 is 65.87% (61.16%). Accordingly the entity, ERA& WIP Timber JV SDN BHD has been treated as a subsidiary in the books of account of the company and disclosures under Accounting Standard (AS)- 27 Financial Reporting of Interests in Joint Ventures are not applicable at this stage.

29 **Disclosure of transactions with related parties as required by Accounting Standard – 18 on related party disclosures as prescribed by Companies (Accounting standards) Rules, 2006.**

Subsidiary Companies

The Kohinoor Saw Mills Company Limited
Southern Veneers & Wood Works Limited
ERA & WIP Timber (JV) SDN BHD
Mayabandar Doors Limited

Key Managerial Personnel

Late Mr P.K. Mohamed (Managing Director upto 29.09.2014)
Mr. P.K. Mayan Mohamed- Managing Director
(Joint Managing Director upto 10.11.2014)

Relatives of Key Managerial Personnel

Mr P K Hashim, Mrs P K Mariam, Mr P K Mehaboob
Mr P K Saquib, Mr P K Asif, Mr P K Harris,
Mrs P K Jameela, Mrs P K Rafia, Mrs Liza
Estate of Late A K Kader Kutty
Estate of Late P K Mohamed

Enterprise over which key management personnel or their relatives are able to exercise significant control

Windmach Sports Goods (P) Ltd
Classic Sports Goods (P) Ltd
Kontiki Chemicals & Pharmaceuticals (P) Ltd
Universal Transport Co
Western Fibre and Allied Products (P) Ltd
Western Food & Beverages
Coirtex (P) Ltd

(Figures in Rupees)

| Particulars | Subsidiaries | Key Management Personnel | Relatives of key Management Personnel | *Enterprises | Total |
|--|-----------------------------------|---------------------------------|---------------------------------------|---------------------------------|-----------------------------------|
| Purchases of Goods/ Assets | | | | | |
| Kontiki Chemicals & Pharmaceuticals (P) Limited | | | | 2,832,000 <i>(4,520,460)</i> | 2,832,000 <i>(4,520,460)</i> |
| ERA & WIP Timber JV SDN. BHD | 41,138,853 <i>(36,080,378)</i> | | | | 41,138,853 <i>(36,080,378)</i> |
| Mayabandar Doors Limited | 689,372 <i>(962,516)</i> | | | | 689,372 <i>(962,516)</i> |
| Windmach Sports Accessories (P) Limited | | | | 1,900 - | 1,900 - |
| Sale of Goods/Assets : | | | | | |
| Windmach Sports Accessories (P) Limited | | | | 216,890 <i>(325,806)</i> | 216,890 <i>(325,806)</i> |
| Mayabandar Doors Limited | 4,982,921 <i>(6,457,446)</i> | | | | 4,982,921 <i>(6,457,446)</i> |
| Kontiki Chemicals & Pharmaceuticals (P) Ltd | | | | 34,929 <i>(181,333)</i> | 34,929 <i>(181,333)</i> |
| ERA & WIP Timber JV SDN, BHD | 1,091,362 - | | | | 1,091,362 - |
| Lease Rent Paid | | | | | |
| The Kohinoor Saw Mills Company Limited | 168,000 <i>(168,000)</i> | | | | 168,000 <i>(168,000)</i> |
| Southern Veneers & Woodworks Limited | 108,000 <i>(108,000)</i> | | | | 108,000 <i>(108,000)</i> |
| Services Received: | | | | | |
| Southern Veneers & Woodworks Limited | 5,770,285 <i>(7,372,777)</i> | | | | 5,770,285 <i>(7,372,777)</i> |
| P K Mohamed | | 1,800,000 <i>(3,600,000)</i> | | | 1,800,000 <i>(3,600,000)</i> |
| P K Mayan Mohamed (Refer Note No. 24.01) | | 3,126,004 <i>(1,200,000)</i> | | | 3,126,004 <i>(1,200,000)</i> |
| Others | | | 643,992 <i>(578,652)</i> | | 643,992 <i>(578,652)</i> |
| Advance towards Capital Participation: | | | | | |
| ERA & WIP Timber JV SDN. BHD | 669,490 <i>(2,250,968)</i> | | | | 669,490 <i>(2,250,968)</i> |
| Conversion of Loans into Preference Shares: | | | | | |
| Mayabandar Doors Limited (340000 numbers of 6% Redeemable preference shares of Rs 100 each) | - <i>(34,000,000)</i> | | | | - <i>(34,000,000)</i> |

| | | | | | |
|---|----------------------------|----------------------|--------------------------|--|----------------------------|
| Finance(Interest on Loan / Fixed Deposit/Payables) : | | | | | |
| P K Mohamed | | 156,165 (274,922) | | | 156,165 (274,922) |
| P K Mayan Mohamed | | 14,387 (12,152) | | | 14,387 (12,152) |
| Estate of Late A K Kader Kutty | | | 200,241 (170,242) | | 200,241 (170,242) |
| Estate of Late P K Mohamed | | | 76,682 - | | 76,682 - |
| Interest on Loan (Income) | | | | | |
| Mayabandar Doors Limited | | - (4,115,118) | | | - (4,115,118) |
| Balance as on 31.03.2015 | | | | | |
| Investments | | | | | |
| Southern Veneers & Wood Works Limited | 5,000,000 (5,000,000) | | | | 5,000,000 (5,000,000) |
| The Kohinoor Saw Mills Company Limited | 454,100 (454,100) | | | | 454,100 (454,100) |
| Mayabandar Doors Ltd | 57,225,459 (57,225,459) | | | | 57,225,459 (57,225,459) |
| ERA & WIP Timber JV SDN. BHD | 26,498,870 (15,822,870) | | | | 26,498,870 (15,822,870) |
| Amounts Receivables | | | | | |
| The Kohinoor Saw Mill Company Ltd | 997,859 (1,130,692) | | | | 997,859 (1,130,692) |
| ERA & WIP Timber JV SDN. BHD (Advance for purchases) | 3,733,483 (5,028,257) | | | | 3,733,483 (5,028,257) |
| ERA & WIP Timber JV SDN. BHD (Advance for shares) | 3,504 (10,923,724) | | | | 3,504 (10,923,724) |
| Mayabandar Doors Limited (Towards interest receivable on finance provided) | 7,719,838 (7,719,838) | | | | 7,719,838 (7,719,838) |
| Mayabandar Doors Limited (Towards sale of goods) | 14,810,466 (8,491,558) | | | | 14,810,466 (8,491,558) |
| Amounts Payable: | | | | | |
| Southern Veneers & Wood Works Limited | 3,321,612 (2,855,165) | | | | 3,321,612 (2,855,165) |
| P K Mohamed | | - (2,715,319) | | | - (2,715,319) |
| P K Mayan Mohamed | | 145,786 (133,914) | | | 145,786 (133,914) |
| Estate of Late A K Kader Kutty | | | 2,493,638 (2,493,638) | | 2,493,638 (2,493,638) |
| Estate of Late P K Mohamed | | | 2,839,963 - | | 2,839,963 - |

30 Segment Information

The company is engaged in the business of manufacture and sale of wood based products which form broadly part of one product group and hence constitute a single business segment. However, based on geographical factors, reportable geographic segments have been identified as export sales and domestic sales. The segment wise information pertaining to the reportable geographical segments as above is as follows:

| | Export (Rs) | Domestic (Rs) | Total (Rs) |
|--|------------------------------|------------------------------|--|
| Segment Revenue - Income from Operations | 193,971,388 (148,798,824) | 725,515,767 (774,125,582) | 919,487,155 (922,924,406) |
| Segment results | 10,161,898 (4,974,087) | 78,000,623 (43,222,231) | 88,162,521 (48,196,318) |
| Unallocated Expenditure | | | 3,515,313 (2,116,812) |
| Unallocated Income | | | 3,250,844 (1,777,084) |
| Interest Expenses | | | 38,984,907 (35,286,946) |
| Profit before taxation | | | 48,913,145 (12,569,644) |

Capital employed as also assets and liabilities of the Company are not capable of being stated separately segment-wise since all the assets and liabilities are held under composite undertaking for both the geographic segments.

31 The details of Provisions and Contingent Liabilities are as under. (Disclosed in terms of Accounting Standard –29 on Provisions, Contingent Liabilities & Contingent Assets notified by the Companies (Accounting Standards) Rules, 2006.

| 31.01 | Contingent Liabilities | 31.03.2015 (Rs) | 31.03.2014 (Rs) |
|-------|---|-----------------|-----------------|
| | a) Letters of credit | 7,014,791 | 8,857,073 |
| | b) Bank guarantee | 6,788,750 | 6,018,405 |
| | c) Bills discounted | 1,548,105 | 1,820,302 |
| | d) Disputed Income Tax Liability (Refer Note no 31.02) | 2,923,110 | - |
| | e) Claims against the Company, not acknowledged as debt | - | 50,000,000 |

31.02 The Income Tax department has made a disallowance on assessments completed for an earlier year, which are pending on appeal before the first appellate authority. In the opinion of the management no provision is considered necessary for the same at this stage.

32 Estimated amount of contract remaining to be executed on capital account and not provided for Rs 57,98,811/- (Rs Nil)

33 Additional Information

| 33.01 | Value of imports calculated on CIF basis | 2014-15 (Rs) | 2013-14 (Rs) |
|-------|--|--------------|--------------|
| | Raw Materials | 60,544,594 | 52,974,296 |
| | Components & Spare parts | 2,293,757 | 1,718,309 |
| | Capital Goods | - | 77,680 |

| 33.02 | Expenditure in Foreign Currency | 2014-15 (Rs) | 2013-14 (Rs) |
|-------|---------------------------------|--------------|--------------|
| | Commission | 996,808 | 1,269,235 |
| | Other Matters | 707,234 | 569,556 |

33.03 Details of Consumption of imported and indigenous items

| | Raw Materials | 2014-15 (Rs) | | 2013-14 (Rs) | |
|--|---------------|--------------|------|--------------|------|
| | Imported | 62,479,188 | 16% | 55,586,718 | 13% |
| | Indigenous | 329,712,910 | 84% | 374,929,363 | 87% |
| | Total | 392,192,098 | 100% | 430,516,081 | 100% |

| | Stores, Spares & Consumables | 2014-15 (Rs) | | 2013-14 (Rs) | |
|--|------------------------------|--------------|------|--------------|------|
| | Imported | 2,293,757 | 11% | 1,955,865 | 10% |
| | Indigenous | 18,857,958 | 89% | 18,274,321 | 90% |
| | Total | 21,151,715 | 100% | 20,230,186 | 100% |

| 33.04 | Earnings in Foreign Exchange | 2014-15 (Rs) | 2013-14 (Rs) |
|-------|------------------------------|--------------|--------------|
| | Export of goods on FOB basis | 178,764,416 | 140,040,430 |

34 Particulars of un-hedged foreign currency exposures as at Balance sheet date are as under:

| Particulars | As at 31 st March 2015 | | As at 31 st March 2014 | |
|--------------|-----------------------------------|------------|-----------------------------------|------------|
| | Foreign currency | INR | Foreign currency | INR |
| Receivables: | | | | |
| USD | 574,537 | 35,747,709 | 214,004 | 12,692,790 |
| MYR | 297,274 | 4,667,206 | 869,058 | 14,817,440 |
| Payables: | | | | |
| USD | 356,362 | 22,472,169 | 263,038 | 15,911,154 |
| EURO | 4,439 | 303,733 | - | - |
| SGD | 8,406 | 386,256 | - | - |

35 In the opinion of the Directors, Loans and Advances and Other Current Assets have the value at which they are stated in the Balance Sheet, if realised in the ordinary course of business.

36 The figures in brackets, unless otherwise stated represents figures for the previous year. Figures of the previous year have been regrouped/recast where ever necessary to suit the classification/disclosure of the current year. Figures have been rounded off to the nearest Rupee.

For and on behalf of the Board of Directors

As per our separate report of even date attached

P.K MAYAN MOHAMED

Managing Director
(DIN 00026897)

R. BALAKRISHNAN

G.M.(Finance) & Company
Secretary (M No 7119)

Place: Cochin
Date: 19.05.2015

T. BALAKRISHNAN

Chairman
(DIN 00052922)

SATHYAKRISHNAN.B

Chief Financial Officer

For **M/s. Varma & Varma**

Chartered Accountants
(FRN - 004532S)

VIJAY NARAYAN GOVIND

Partner
M. No: 203094

INDEPENDENT AUDITORS' REPORT

To the Members of The Western India Plywoods Limited,
Kannur.

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **The Western India Plywoods Limited** (hereinafter referred to as "the Holding Company") and **its four subsidiaries** (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of the subsidiaries M/s Southern Veneers and Woodworks Limited, M/s Mayabandar Doors Limited and M/s ERA & WIP Timber JV SDN BHD ("foreign subsidiary") whose financial statements reflect total assets of Rs. 959.46 Lakhs as at 31st March, 2015, total revenues of Rs. 950.09 Lakhs and net cash flows amounting to Rs. 1.08 Lakhs as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the Other auditors. One of these being a foreign subsidiary, the financial statements have been prepared and audited under the laws applicable in that country.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and subsidiary companies incorporated in India, we give in the Annexure 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, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit & Loss and the Consolidated Cash Flow Statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding company as on 31st March, 2015 and taken on record by the Board of Directors of the Holding company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the

Group companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group– Refer Note No 38.01 and 38.02 to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding company and its subsidiary companies incorporated in India.

For **VARMA & VARMA**
Chartered Accountants
FRN 004532S

VIJAY NARAYAN GOVIND
Partner
M. No. 203094

Place: Cochin
Date : 19.05.2015

ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR INDEPENDENT AUDIT REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF THE WESTERN INDIA PLYWOODS LIMITED FOR THE YEAR ENDED 31ST MARCH 2015

1. (a) The Holding Company and its Subsidiary companies incorporated in India have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets of the Holding Company are physically verified by the management in accordance with a phased programme, which in our opinion is reasonable having regard to the size of the Company and nature of its assets and in accordance with the said programme, certain fixed assets have been physically verified during the year by the management and that no material discrepancies have been noticed on such verification.

In respect of the subsidiary companies incorporated in India, according to the information and explanation given to us and based on the reports of independent auditors of the subsidiary companies incorporated in India not audited by us, the fixed assets of the respective companies have been verified by the management at reasonable intervals and that no material discrepancies have been noticed on such verification.

2. In respect of the inventories of the Holding Company and subsidiary companies incorporated in India:
 - (a) we are informed, that the inventory (other than stock of timber lying in the pond and finished goods lying with agency depots) have been physically verified by the management of the respective companies during the year, the frequency of which, in our opinion and the opinion of other auditors, is reasonable, having regard to the size of the respective companies and nature of their business. The reporting

- requirements under clauses (ii) (a), (b) and (c) of the Paragraph 3 of the Order are not applicable to a subsidiary Company M/s The Kohinoor Saw Mills Limited, as the company is not engaged in any trading/ manufacturing activity.
- (b) In our opinion and according to the information and explanations given to us and based on the reports of independent auditors of subsidiary companies incorporated in India not audited by us, the procedures of physical verification of inventory followed by the management of the respective companies are generally reasonable and adequate in relation to the size of the respective companies and the nature of their business.
 - (c) In our opinion and the opinion of other auditors and according to the information and explanation given to us and the other auditors, the respective companies are maintaining proper records of inventory and as informed to us and the other auditors, no discrepancies of material nature were noticed on physical verification.
3. The Holding Company and Subsidiary Companies incorporated in India have not granted any loans, secured or unsecured to companies, firms or other parties requiring to be entered in the register in terms of Section 189 of the Companies Act, 2013. Accordingly, the reporting requirements under clauses (iii) (a) and (iii) (b) of the paragraph 3 of the Order are not applicable.
 4. In our opinion and according to the information and explanations given to us and based on the reports of independent auditors of subsidiary companies incorporated in India not audited by us, there are adequate internal control systems in the holding company and subsidiary companies incorporated in India, commensurate with the size of the respective companies and nature of their business for the purchase of inventory and fixed assets and for sale of goods and services. In our opinion and according to the information and explanations given to us and based on the reports of independent auditors of subsidiary companies incorporated in India not audited by us, there is no continuing failure to correct major weaknesses in the internal control system of the respective companies.
 5. According to the information and explanations given to us and based on the reports of independent auditors of subsidiary companies incorporated in India not audited by us, the holding Company and the subsidiary companies incorporated in India have not accepted any deposits from the public during the year and hence, the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder are not applicable.
 6. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Act for the holding company and subsidiary companies incorporated in India, at this stage.
 7. According to the information and explanations furnished to us and based on the reports of independent auditors of subsidiary companies incorporated in India not audited by us, in respect of statutory dues of the Holding Company & its subsidiary companies incorporated in India:
 - (a) they have been generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Wealth tax, Service tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other statutory dues, as applicable to the respective companies with the appropriate authorities during the year and there are no arrears of undisputed statutory dues outstanding at the last day of the financial year for a period of more than six months from the date on which they become payable.
 - (b) Details of dues with respect to Income tax, sales tax, wealth tax, service tax, value added tax, customs duty, excise duty, cess which have not been deposited with the authorities on account of dispute as at 31st March 2015 are as given below.

| Nature of dues | Statute | Amount (Rs in Lakhs) | Period to which the amount relates | Forum where the dispute is pending |
|---|------------------------------|---|---|---|
| i) Holding Company | | | | |
| Income Tax | Income Tax Act, 1961 | 29.23 | 2011-12 (AY 2012-13) | Commissioner Income Tax (Appeals) |
| ii) Subsidiary Company: | | | | |
| (a) Maya Bandar Doors Limited | | | | |
| CENVAT Credit | CENVAT Credit Rules, 2004 | 8.35 (Net of Rs 6 lakhs paid under protest) | FY 2005-06, FY 2006-07 & FY 2007-08 | Commissioner of Central Excise, Customs & Service Tax, Mysore |
| (b) Kohinoor Saw Mills Limited | | | | |
| Income Tax / Interest | Income Tax Act, 1961 | 0.47 | 2008-09 | Commissioner of Income Tax (Appeals) |

(c) There are no amounts required to be transferred by the Holding company and its subsidiary companies incorporated in India to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made there under.

8. The Group does not have any accumulated losses as at the end of the financial year on a consolidated basis and the Group has not incurred cash losses on a consolidated basis in the current financial year and in the immediately preceding financial year.
9. According to the information and explanations given to us and based on the reports of independent auditors of subsidiary companies incorporated in India not audited by us, the holding company and its subsidiary companies incorporated in India have not defaulted in repayment of dues to the financial institutions or banks.
10. According to the information and explanations given to us and based on the reports of independent auditors of subsidiary companies incorporated in India not audited by us, the Holding Company and its subsidiary companies incorporated in India have not given any guarantee for loans taken by others outside of the Group from banks or financial institutions.
11. According to the information and explanations given to us and as per the records of the Holding Company, the term loans availed have been applied for the purpose for which the loans were obtained. According to the information and explanations given to us and based on the reports of independent auditors of subsidiary companies incorporated in India not audited by us, the subsidiary companies incorporated in India have not taken any term loans from financial institutions or banks.
12. According to the information and explanations given to us and based on the reports of the independent auditors of subsidiary companies incorporated in India not audited by us, no material fraud either on or by the group companies incorporated in India have been noticed or reported during the year.

For **VARMA & VARMA**
Chartered Accountants
FRN 004532S

VIJAY NARAYAN GOVIND
Partner
M. No. 203094

Place: Cochin
Date : 19-05-2015

CONSOLIDATED BALANCE SHEET AS AT 31.03.2015

| | Note No | As at 31 st March 2015 (Rs.) | As at 31 st March 2014 (Rs.) |
|------------------------------------|---------|--|--|
| EQUITY AND LIABILITIES | | | |
| Shareholders' Funds | | | |
| (a) Share Capital | 03 | 103,873,400 | 103,873,400 |
| (b) Reserves and Surplus | 04 | 274,159,799 | 249,067,567 |
| (c) Minority Interest | 05 | 9,298,931 | 6,536,554 |
| | | 387,332,130 | 359,477,521 |
| Non-Current Liabilities | | | |
| (a) Long Term Borrowings | 06 | 73,668,697 | 70,929,338 |
| (b) Deferred Tax Liabilities (net) | 07 | 24,483,550 | 27,242,239 |
| (c) Long Term Provisions | 08 | 2,852,976 | 2,659,185 |
| Current Liabilities | | | |
| (a) Short Term Borrowings | 09 | 236,380,694 | 263,879,961 |
| (b) Trade Payables | 10 | 70,097,544 | 65,731,727 |
| (c) Other Current Liabilities | 11 | 86,659,963 | 83,777,747 |
| (d) Short Term Provisions | 12 | 29,335,535 | 27,232,153 |
| Total | | 910,811,089 | 900,929,871 |
| ASSETS | | | |
| Non-Current Assets | | | |
| (a) Fixed Assets | | | |
| (i) Tangible Assets | 13 | 211,963,833 | 234,948,196 |
| (ii) Intangible Assets | 13 | 2,025 | 15,619 |
| (iii) Capital Work in Progress | 13 | 3,562,614 | 1,531,050 |
| (b) Goodwill on Consolidation | | 28,011,446 | 28,011,446 |
| (c) Non-Current Investments | 14 | 507,100 | 2,007,100 |
| (d) Long-Term Loans and Advances | 15 | 14,394,494 | 10,292,737 |
| Current assets | | | |
| (a) Inventories | 16 | 405,651,007 | 398,465,469 |
| (b) Trade Receivables | 17 | 177,700,973 | 145,068,079 |
| (c) Cash & Cash Equivalents | 18 | 46,666,662 | 43,341,686 |
| (d) Short Term Loans and Advances | 19 | 20,006,383 | 25,366,421 |
| (e) Other Current Assets | 20 | 2,344,552 | 11,882,068 |
| Total | | 910,811,089 | 900,929,871 |

For and on behalf of the Board of Directors

As per our separate report of even date attached

P.K MAYAN MOHAMED

 Managing Director
(DIN 00026897)

T. BALAKRISHNAN

 Chairman
(DIN 00052922)

R. BALAKRISHNAN

 G.M.(Finance) & Company
Secretary (M No 7119)

SATHYAKRISHNAN.B

Chief Financial Officer

For M/s. Varma & Varma

 Chartered Accountants
(FRN - 004532S)

VIJAY NARAYAN GOVIND

 Partner
M. No: 203094

 Place: Cochin
Date: 19.05.2015

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2015

| | Note No. | For the year ended 31.03.2015 (Rs.) | For the year ended 31.03.2014 (Rs.) |
|--|----------|-------------------------------------|-------------------------------------|
| REVENUE FROM OPERATIONS | | | |
| Revenue from Operations (Gross) | 21 | 1,054,215,789 | 1,058,177,121 |
| Less: Excise Duty | | 92,717,854 | 97,816,679 |
| Revenue from Operations (Net) | | 961,497,935 | 960,360,442 |
| Other Income | 22 | 3,977,347 | 1,742,631 |
| Total Revenue | | 965,475,282 | 962,103,073 |
| EXPENDITURE | | | |
| Cost of Materials Consumed | 23 | 401,456,041 | 434,379,366 |
| Changes in Inventories of Finished Goods and Work-in-process | 24 | (2,859,658) | (19,572,610) |
| Employee Benefits Expense | 25 | 164,706,987 | 153,766,208 |
| Finance costs | 26 | 38,951,433 | 39,386,971 |
| Depreciation (Refer Note No 13.02) | 13 | 22,820,899 | 52,690,278 |
| Other expenses | 27 | 292,559,977 | 297,199,084 |
| Total Expenses | | 917,635,679 | 957,849,297 |
| Extraordinary items | | - | - |
| Profit before tax | | 47,839,603 | 4,253,776 |
| Less: Tax expense | | | |
| - Current Tax | | 18,391,958 | 10,124,500 |
| - Deferred Tax | | (2,544,544) | (6,045,769) |
| - Provision no longer required written back | | - | (9,927,634) |
| | | 15,847,414 | (5,848,903) |
| Profit for the year after tax | | 31,992,189 | 10,102,679 |
| Add: Share of (Profit)/Loss of subsidiaries for the year transferred to Minority Interest | | 628,270 | 1,308,577 |
| | | 32,620,459 | 11,411,256 |
| Earnings per Equity Share (Nominal Value of Rs 10/- (Rs 10/-) (Basic & Diluted) | 28 | 3.68 | 1.17 |
| Significant Accounting Policies and Notes on accounts | 1 to 40 | | |

For and on behalf of the Board of Directors

As per our separate report of even date attached

P.K MAYAN MOHAMED

 Managing Director
(DIN 00026897)

T. BALAKRISHNAN

 Chairman
(DIN 00052922)

R. BALAKRISHNAN

 G.M.(Finance) & Company
Secretary (M No 7119)

SATHYAKRISHNAN.B

Chief Financial Officer

For M/s. Varma & Varma

 Chartered Accountants
(FRN - 004532S)

VIJAY NARAYAN GOVIND

 Partner
M. No: 203094

 Place: Cochin
Date: 19.05.2015

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

| | For the year ended 31 st March 2015 (Rs.) | | For the year ended 31 st March 2014 (Rs.) | |
|--|---|--------------------|---|-------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Net Profit/(Loss) for the year before extraordinary items | | 32,620,459 | | 11,411,256 |
| Add: Adjustments for Non-Cash items: | | | | |
| Depreciation | 22,820,899 | | 52,690,278 | |
| Provision for Taxation | 18,391,958 | | 196,866 | |
| Deferred tax | (2,544,544) | | (6,045,769) | |
| Interest Income | (1,462,276) | | (1,062,939) | |
| Dividend Income | (17,125) | | (13,750) | |
| Interest Expense | 37,935,747 | | 39,869,129 | |
| (Profit)/Loss on Sale of Assets | 188,255 | | 106,865 | |
| Provision/ creditors no longer required written back | (2,501,105) | | (454,100) | |
| Provision for doubtful debts/Advances | 5,078,995 | | 2,286,797 | |
| Provision for doubtful investment | 1,500,000 | | - | |
| Bad debts written off | 571,105 | 79,961,909 | - | 87,573,377 |
| Operating Profit before Working Capital Changes | | 112,582,368 | | 98,984,633 |
| Adjustment for changes in: | | | | |
| (Increase)/ Decrease Inventories | (7,185,538) | | (27,415,425) | |
| (Increase)/ Decrease Trade Receivables & Other current assets | (28,048,087) | | 12,025,007 | |
| (Increase)/ Decrease Loans and Advances | 2,558,281 | | 1,695,186 | |
| Increase/ (Decrease) Trade Payables & Other Current liabilities | 3,858,985 | (28,816,359) | (28,581,719) | (42,276,951) |
| Cash generated from Operations | | 83,766,009 | | 56,707,682 |
| Income Tax Paid | | 14,885,878 | | 13,553,048 |
| Net Cash from Operating Activities Total (A) | | 68,880,131 | | 43,154,634 |

| | | | |
|---|--------------|---------------------|---------------------|
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Investments | - | | 1,000 |
| Sale of Fixed Assets | 218,000 | | 235,000 |
| Purchase of Fixed Assets-including Capital Work in progress | (2,890,782) | | (19,376,193) |
| Interest received | 1,335,986 | | 1,565,106 |
| Dividend Income | 17,125 | | 13,750 |
| Total (B) | | (1,319,671) | (17,561,337) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Redemption of preference shares | - | | (2,000,000) |
| Increase/(Decrease) in Long term borrowings | 2,814,157 | | (38,691,383) |
| Increase/(Decrease) in Short term borrowings | (27,499,267) | | 18,581,814 |
| Interest paid | (37,536,566) | | (39,846,361) |
| Dividend Paid | (5,287,856) | | (7,402,404) |
| Corporate Dividend tax paid | (898,671) | | (1,258,039) |
| Adjustment on account of Minority Interest | 2,878,588 | | (1,308,577) |
| Total (C) | | (65,529,615) | (71,924,950) |
| Total Cash Flow for the year (A + B + C) | | 2,030,846 | (46,331,653) |
| Add: Opening Cash and Cash Equivalents | | 43,341,686 | 91,272,891 |
| Add: Adjustment on Consolidation | | | |
| Add/(Less): Foreign Currency Translation Adjustments | | 1,294,130 | (1,599,552) |
| Closing Cash and Cash Equivalents | | 46,666,662 | 43,341,686 |

Cash and cash equivalents at the end of the year includes Rs 37,54,974 /- (Rs 31,16,820) amount deposited in unclaimed Dividend Account of which is earmarked for payment of dividend and cannot be used for any other purpose.

Cash and cash equivalents at the end of the year includes balances with banks in deposit accounts Rs 84,74,587/- (Rs 72,63,248) held as security for availing Letter of Credit and Bank guarantee facilities.

For and on behalf of the Board of Directors

As per our separate report of even date attached

P.K MAYAN MOHAMED

Managing Director
(DIN 00026897)

T. BALAKRISHNAN

Chairman
(DIN 00052922)

For **M/s. Varma & Varma**

Chartered Accountants
(FRN - 004532S)

R. BALAKRISHNAN

G.M.(Finance) & Company
Secretary (M No 7119)

SATHYAKRISHNAN.B

Chief Financial Officer

VIJAY NARAYAN GOVIND

Partner
M. No: 203094

Place: Cochin

Date: 19.05.2015

NOTE 1
SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE
CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015.

a) Basis of Accounting

The consolidated financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act as applicable. except that the financial statements of the Subsidiary Company incorporated in Malaysia are prepared in accordance with the provisions of the Malaysian Companies Act, 1965 and in compliance with the applicable accounting standards in Malaysia.

b) Principles of Consolidation:

The Consolidated Financial statements of the Group relate to the holding company Western India Plywoods Limited ("the company"), its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard (AS) 21 – " Consolidated Financial Statements".
- b) The difference between the carrying cost of the investment in the subsidiary companies, over the net assets at the time of acquisition of shares in the subsidiary companies entity is recognised as Goodwill/ Capital reserve as the case may be.
- c) Goodwill arising on consolidation is not amortised, but tested for impairment on a periodic basis and impairment loss if any, is recognised.
- d) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the company's separate Financial Statements except as otherwise stated elsewhere in this schedule.

c) Use of Estimates

The presentation of financial statements in conformity with the generally accepted accounting principles require estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known /materialised.

d) Fixed Assets and Depreciation

(i) Fixed Assets

Fixed assets are stated at cost, less depreciation and impairment loss if any.

(ii) Depreciation

In respect of Holding Company, Depreciation is provided over the useful lives of the asset as prescribed under Schedule II of the Companies Act, 2013 as under:

- in respect of assets acquired prior to 1-4-1975, on WDV basis.
- on assets acquired after 1-4-1975, on SLM basis.

In respect of Subsidiary Company, Southern Veneers and Woodworks Limited, depreciation is provided on Straight Line Method over the useful lives of the asset as prescribed under Schedule II of the Companies Act, 2013.

In respect of Subsidiary Companies, The Kohinoor Saw Mill Company Limited and Mayabandar Doors Limited, Depreciation is provided for in the books of account under written down value method over the useful lives of the asset as prescribed under Schedule II of the Companies Act, 2013.

In respect of Subsidiary Company incorporated at Malaysia, the depreciation is provided in accordance with provisions of the Malaysian Companies Act, 1965 and in compliance with the applicable accounting standards in Malaysia

e) Impairment of Assets

The company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. An asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. Based on such assessment, impairment loss if any is recognized in the Statement of Profit and Loss of the period in which the asset is identified as impaired. The impairment loss recognised in the prior accounting periods is reversed, if there is a change in the estimate of recoverable amount.

f) Foreign Currency Transactions

Transactions in Foreign currency during the year are accounted at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency outstanding at the Balance Sheet date are translated at the applicable exchange rates prevailing at the year-end. The exchange gain/loss arising during the year is adjusted to the Statement of Profit and Loss.

Premium or discount arising on inception of forward exchange contracts, which are intended to hedge the foreign currency risk of existing assets or liabilities has been amortised as income /expense over the life of the contract and exchange differences on such contracts are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change.

The financial statements of the overseas Subsidiary are translated into Indian Rupees, which is the functional currency of the company, as follows:

- Proportionate assets and liabilities at the rates of exchange ruling at the year-end.
- Proportionate revenue items at the average rate for the period.

Exchange rate differences arising on translation above is transferred to Foreign Currency Translation Reserve.

g) Investments

Long Term Investments are stated at cost. Decline in value, if any, which is not considered temporary in nature, is provided for.

h) Inventories

Inventories are valued at lower of cost or net realisable value, item wise. For this purpose, the cost of bought-out inventories comprise of the purchase cost of the items, net of applicable tax/duty credits and cost of bringing such items into the factory on a weighted average basis. The cost of manufactured inventories comprises of the direct cost of production plus appropriate overheads. The net realizable value of bought out inventories is taken at their current replacement value.

i) Revenue recognition

- a) Sales are recognized on transfer of title of the goods to the respective parties and are inclusive of Excise Duty, but exclusive of Sales tax and Value Added Tax.
- b) Other incomes are recognized on accrual basis except when there are significant un-certainties.
- c) Export incentives are recognized on accrual basis.

j) Employee Benefits:

a) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and recognised in the period in which the employee renders the related service.

b) Defined Contribution Plans

The Group has defined contribution plans for employees comprising of Provident Fund and Employee's State Insurance. The contributions paid/payable to these plans during the year are charged to the Statement of Profit and Loss for the year.

- c) Defined Benefit Plans**
- i) Payment of Gratuity to employees of the holding company is covered by the Group Gratuity cum Assurance Scheme of the LIC of India, which is a defined benefit scheme and the company makes contributions under the said scheme. The net present value of the obligation for gratuity benefits as determined on independent actuarial valuation, conducted annually using the projected unit credit method, as adjusted for unrecognized past services cost if any and as reduced by the fair value of plan assets, is recognised in the accounts. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.
- ii) In respect of subsidiary Company M/s Mayabandar Doors Limited: Gratuity benefits to employees are accounted on accrual basis based on the actuarial valuation. Actuarial Gains or losses arising under defined benefit plans are recognized immediately in the Statement of Profit and Loss as income/expense for the year in which they occur.
- d) Long Term Employee Benefits**
The Group has a scheme for compensated absences for employees, the liability of which is determined on the basis of an independent actuarial valuation carried out at the end of the year, using the projected unit credit method. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.
- k) Research and Development**
Revenue Expenditure on Research and Development is charged to the Statement of Profit and Loss. Capital expenditure thereon is capitalized.
- l) Borrowing Cost**
Borrowing costs directly attributable to the acquisition, construction or production of fixed assets, which take substantial period of time to get ready for their intended use, are capitalized. Other borrowing costs are recognized as expenditure for the period in which they are incurred.
- m) Income Tax**
Income tax is accounted in accordance with Accounting Standard on Accounting for Taxes on Income (AS-22), which includes current taxes and deferred taxes. Deferred Tax assets/ liabilities representing timing differences between accounting income and taxable income are recognized to the extent considered capable of being reversed in subsequent years. Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available, except that deferred tax assets arising due to unabsorbed depreciation and losses are recognised if there is a virtual certainty that sufficient future taxable income will be available to realise the same.
- n) Earnings Per Share**
Basic/ diluted earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares/ dilutive potential equity shares outstanding as at the end of the year as the case may be.
- o) Provisions, Contingent Liabilities and Contingent Assets**
Provisions are recognised when the company has a present obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the correct management estimates.

Contingent Liabilities are disclosed when the company has a possible obligation or a present obligation and it is probable that a cash flow will not be required to settle the obligation.

Contingent assets are neither recognized nor disclosed in the accounts.

NOTES ATTACHED TO AND FORMING PART OF FINANCIAL STATEMENTS

Note No 02: The Western India Plywoods Limited has controlling interest in the following entities during the year ended 31st March , 2015:

| Name of the entity | Relationship | Country of Incorporation | Group's Share of Ownership Interest |
|--|--------------|--------------------------|-------------------------------------|
| Southern Veneers and Woodworks Limited | Subsidiary | India | 100% (100%) |
| The Kohinoor Saw Mills Company Limited | Subsidiary | India | 90.82% (90.82%) |
| ERA & WIP Timber JV SDN BHD, Malaysia | Subsidiary | Malaysia | 65.87% (61.16%) |
| Mayabandar Doors Limited | Subsidiary | India | 88.68% (88.68%) |

| Note No | Particulars | As at 31 st March 2015 (Rs.) | As at 31 st March 2014 (Rs.) |
|---|---|---|---|
| 03 | SHARE CAPITAL | | |
| | Authorised Shares | | |
| | 1,00,00,000 (1,00,00,000) Equity Shares of Rs.10/- each | 100,000,000 | 100,000,000 |
| | 15,00,000 (15,00,000) Redeemable Preference Shares of Rs.100/- each | 150,000,000 | 150,000,000 |
| | TOTAL | 250,000,000 | 250,000,000 |
| | Issued Shares | | |
| | 86,32,470 (86,32,470) Equity Shares of Rs.10/- each | 86,324,700 | 86,324,700 |
| | 1,90,000 (1,90,000) 6% Redeemable Cumulative Preference Shares of Rs.100/- each | 19,000,000 | 19,000,000 |
| | TOTAL | 105,324,700 | 105,324,700 |
| | Subscribed & Paid Up | | |
| 84,87,340 (84,87,340) Equity Shares of Rs. 10/- each fully paid up | 84,873,400 | 84,873,400 | |
| 1,90,000 (1,90,000) 6% Redeemable Cumulative Preference Shares of Rs.100/- each | 19,000,000 | 19,000,000 | |
| | 103,873,400 | 103,873,400 | |

| | Particulars | 31 st March 2015 | | 31 st March 2014 | |
|-------|---|-----------------------------|------------|-----------------------------|------------|
| | | No. of shares | Amount Rs | No. of shares | Amount Rs |
| 03.01 | Reconciliation of Shares at the beginning and at the end of the financial year. | | | | |
| (i) | Equity Shares | | | | |
| | At the beginning of the period | 8,487,340 | 84,873,400 | 8,487,340 | 84,873,400 |
| | At the end of the period | 8,487,340 | 84,873,400 | 8,487,340 | 84,873,400 |

| | | | | | |
|-------------|---|------------|------------|---------|------------|
| (ii) | Preference Shares | | | | |
| a) | 6% Redeemable Cumulative Preference Shares of Rs.100/- each | | | | |
| | At the beginning of the period | - | - | 210,000 | 21000000 |
| | Less: Redeemed during the period | - | - | 210,000 | 21000000 |
| | At the end of the period | - | - | | |
| b) | 6% Redeemable Cumulative Preference Shares of Rs.100/- each | | | | |
| | At the beginning of the period | 19,000,000 | 19,000,000 | - | |
| | Add: Issued during the period | - | - | 190,000 | 19,000,000 |
| | At the end of the period | 19,000,000 | 19,000,000 | 190,000 | 19,000,000 |

03.02 Terms/ Rights Attached to Equity Shares

The Company has only one class of equity shares having par value of Rs.10/ each. Each holder of an equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting.

During the year ended 31st March 2015, the amount of per share dividend recommended for distribution to equity share holders is Rs 0.70 (Previous year Rs 0.60)

In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

03.03 Terms/Rights Attached to Preference Shares

Each holder of preference share is entitled to one vote per share on a resolution placed before the Company which directly affect the rights attached to the preference shareholders. All Preference Shares outstanding at the year end are redeemable on 30th January, 2017 and carry cumulative dividend @ 6%.

During the year ended 31st March 2015, the amount of per share dividend recommended for distribution to preference share holders is Rs 6/- (Previous year Rs 6/-)

| | Particulars | 31 st March 2015 | | 31 st March 2015 | |
|------------|--|-----------------------------|--------------|-----------------------------|--------------|
| | | No. of shares | % of Holding | No. of shares | % of Holding |
| 3.4 | Details of Shareholders holding more than 5% shares in the Company | | | | |
| (i) | Equity Shares | | | | |
| | Life Insurance Corporation of India | 916,860 | 10.80% | 916,860 | 10.80% |
| (ii) | 6% Redeemable Cumulative Preference Shares of Rs.100/- each | | | | |
| | Vigfin Holdings Private Limited | 190,000 | 100.00% | 190,000 | 100% |

| Note No | Particulars | As at 31 st March 2015 (Rs.) | As at 31 st March 2014 (Rs.) |
|-----------|--|---|---|
| 04 | RESERVES & SURPLUS | | |
| (i) | Capital Reserve | 1,503,230 | 1,503,230 |
| (ii) | Subsidy Reserve | 300,534 | 300,534 |
| (iii) | Capital Redemption Reserve | 113,000,000 | 111,000,000 |
| | Add: Additions During the Year | - | 2,000,000 |
| | Closing | 113,000,000 | 113,000,000 |
| (iv) | Securities Premium Account | 44,196,050 | 44,196,050 |
| (v) | Export Profit Reserve | 1,924,094 | 1,924,094 |
| (vi) | Foreign Currency Translation Reserve | 3,538,076 | 2,243,946 |
| (vii) | General reserve | 8,264,857 | 8,264,857 |
| (viii) | Surplus | | |
| | Opening Balance | 80,205,981 | 78,209,700 |
| | Add : Net Profit/(Loss) after tax as per Statement of Profit & Loss | 32,620,459 | 11,411,256 |
| | Less: Adjustments for assets having no remaining useful life (Net of Deferred Tax) (Refer Note 13.02) | 415,877 | - |
| | Less: Appropriation | | |
| | Dividend on preference shares paid | - | 1,050,000 |
| | Proposed Dividend - Preference Shares (Refer Note no 03.03) | 1,140,000 | 195,452 |
| | Proposed Dividend - Equity Share (Refer Note no 03.02) | 5,941,138 | 5,092,404 |
| | Dividend tax | 1,441,553 | 1,077,119 |
| | Transfer to Capital Redemption Reserve | - | 2,000,000 |
| | Closing balance | 103,887,872 | 80,205,981 |
| | Less: Minority interest adjusted(as per Contra) | (2,454,914) | (2,571,125) |
| | | 101,432,958 | 77,634,856 |
| | TOTAL | 274,159,799 | 249,067,567 |
| 05 | MINORITY INTEREST | | |
| | Share Capital | 14,449,500 | 11,370,060 |
| | Less: Share of Accumulated loss and General Reserve at the beginning of the year | (6,977,213) | (6,096,054) |
| | | 7,472,287 | 5,274,006 |
| | Less: Share of (Loss)/ profit for the year | (628,270) | (1,308,577) |
| | | 6,844,017 | 3,965,429 |
| | Add: Adjusted against majority interest (as per Contra) | 2,454,914 | 2,571,125 |
| | | 9,298,931 | 6,536,554 |
| 06 | LONG TERM BORROWINGS | | |
| | Secured Loans (See Note No 06.01 & 06.02) | | |
| | Term Loan: | | |
| | - From Banks | 33,453,872 | 5,709,769 |
| | - From Others | 40,214,825 | 65,219,569 |
| | TOTAL | 73,668,697 | 70,929,338 |

Refer Note No.11 for current maturities of the above loans.

06.01 Details of Security

a) From Banks

(i) Term Loan from Axis Bank Ltd- Loans I & II

Secured by equitable mortgage of 386.75 cents commercial land of the company and also by the personal guarantee of the Managing Director. Loan II is further secured by way of personal guarantee of New shareholder Directors who takes over the rights/shares of former Managing Director Late. Mr. P.K. Mohamed

(ii) Term Loan from ICICI Bank Ltd

Secured by hypothecation of the assets procured by availing the said loan and also by the personal guarantee of the Managing Director.

b) From Others

(i) KSIDC Loan 1 & Loan II

Secured on paripassu basis by mortgage of all immovable properties, present and future, and movable properties, including Machinery, Machinery spares, Tools and Accessories, present and future (save and except book debts), subject to prior charges created or to be created, except exclusive charge given to State Bank of India and Indian Overseas Bank for loan availed during the prior years. The loans are also secured by way of mortgage of land of subsidiary company M/s The Kohinoor Saw Mill Company Ltd together with Buildings, Plant and Machinery and Fixed Assets and Fittings thereon and also charge on 3.10 Acres of Land, Buildings, Plant and Machinery and Fixed Assets and Fittings of Subsidiary company M/s Southern Veneers and Woodworks Ltd; and by personal guarantee of Managing Director.

06.2 Repayment and other terms

| Particulars | Terms | Long Term (Rs) | Current Maturity (Rs) |
|-----------------------|--|----------------------------|----------------------------|
| From Banks | | | |
| Axis Bank Term Loan 1 | The term loan was availed during the year 2012 and carries interest rate of 12.75%. The loan is repayable in 36 equated monthly installments of Rs 10,07,210/- from August,2012 | - (2,948,633) | 2,775,915 (10,766,862) |
| Axis Bank Term Loan 2 | The term loan was availed during the year 2015 and carries interest at the rate of 1.5% above the Bank's Base Rate-currently at 10.15%, presently applicable rate being 11.65%. The rate of interest is subject to revision from time to time at the discretion of the bank. The loan is repayable in 59 installments of Rs. 6,67,000/- and final installment at Rs. 6,47,000/- commencing from March 2015 | 31,329,000 - | 8,004,000 - |
| ICICI Bank | Loan was taken during the year 2013 and carries interest rate of 10.25%. The loan is repayable in 60 equated monthly installments of Rs 74,165/- each from February, 2014. | 2,124,872 (2,761,136) | 636,264 (574,519) |
| From Others | | | |
| KSIDC Loan I | Loan was taken during the year 2006 and carries interest rate of 9%. The loan is repayable in 17 equal half yearly installments of Rs 1,08,82,352/- each from November 2009 | 32,179,298 (53,948,747) | 21,764,704 (21,764,704) |

| | | | |
|----------------------|--|---------------------|---------------------|
| KSIDC Loan II | Loan was taken during the year 2009 and carries interest rate of 9%. The loan is repayable in 15 equal half yearly installments of Rs 16,17,647/- each from November 2009. | 8,035,527 | 3,235,294 |
| | | (11,270,822) | (3,235,294) |
| Current Year | | 73,668,697 | 36,416,177 |
| Previous Year | | (70,929,338) | (36,341,379) |

| Note No | Particulars | As at 31 st March 2015 (Rs.) | As at 31 st March 2014 (Rs.) |
|-----------|--|---|---|
| 07 | DEFERRED TAX LIABILITIES | | |
| | A. Deferred Tax Liability | | |
| | On excess of net book value over Income tax written down value of fixed assets | 34,195,873 | 37,787,544 |
| | B. Deferred Tax Assets | | |
| | On Provisions | 9,712,323 | 10,545,305 |
| | Deferred Tax Liabilities (Net) | 24,483,550 | 27,242,239 |
| 08 | LONG TERM PROVISIONS | | |
| | Provision for employee benefits (<i>Note No. 08.01</i>) | | |
| | For Compensated absences | 1,637,432 | 1,628,587 |
| | For Gratuity | 1,215,544 | 1,030,598 |
| | | 2,852,976 | 2,659,185 |

08.01 Disclosures required under Accounting Standard 15 - "Employee Benefits"
a. Defined Contribution Plans

During the year the following amounts have been recognised in the Statement of Profit and Loss on account of defined contribution plans:

| Particulars | Holding Company | | Subsidiary Company Mayabandar Doors Ltd | |
|--|-----------------|--------------|--|--------------|
| | 2014-15 (Rs) | 2013-14 (Rs) | 2014-15 (Rs) | 2013-14 (Rs) |
| Employers contribution to Provident Fund | 9,126,580 | 9,310,516 | 555,521 | 469,725 |
| Employers contribution to Employee's State Insurance | 3,649,531 | 3,809,134 | - | - |

b. Defined Benefit Plans - Gratuity: Funded Obligation

| Particulars | Holding Company | | Subsidiary Company Mayabandar Doors Ltd | |
|---------------------------------|---|---------------|--|----------------|
| | Current Year | Previous Year | Current Year | Previous Year |
| i. Actuarial Assumptions | | | | |
| Discount Rate (per annum) | 8.50% | 8.50% | 8% | 8.00% |
| Expected return on plan assets | 8.00% | 8.00% | Not Applicable | Not Applicable |
| Salary escalation rate* | 5.00% | 5.00% | 5% | 5.00% |
| Mortality rate | Indian Assured Lives (1994-1996) Ultimate | | | |

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

| Particulars | Holding Company | | Subsidiary Company Mayabandar Doors Ltd | |
|--|-----------------|---------------|--|---------------|
| | Current Year | Previous Year | Current Year | Previous Year |
| ii. Reconciliation of present value of obligation | | | | |
| Present value of obligation at the beginning of the year | 42,542,663 | 45,367,400 | 1,030,598 | 832,848 |
| Current Service Cost | 1,553,785 | 1,705,229 | 110,236 | 102,707 |
| Interest Cost | 3,682,162 | 3,928,701 | 86,857 | 70,736 |
| Actuarial (gain)/ loss | 5,940,631 | 2,140,489 | (12,147) | 163,952 |
| Benefits Paid | (16,237,767) | (10,599,156) | - | (139,645) |
| Present value of obligation at the end of the year | 37,481,474 | 42,542,663 | 1,215,544 | 1,030,598 |
| iii. Reconciliation of fair value of plan assets | | | | |
| Fair value of plan assets at the beginning of the year | 29,964,326 | 13,483,864 | - | - |
| Expected return on plan assets | 2,397,146 | 1,078,709 | - | - |
| Actuarial (gain)/ loss | 105,924 | 623,578 | - | - |
| Contributions | 12,384,503 | 25,377,331 | - | - |
| Benefits paid | (16,237,767) | (10,599,156) | - | - |
| Assets distributed on settlement (if applicable) | | | | |
| Fair value of plan assets at the end of the year | 28,614,132 | 29,964,326 | - | - |
| iv. Description of Plan Assets | | | | |
| Insurer Managed Funds (LIC of India) | 28,614,132 | 29,964,326 | | |

| v. | Net (Asset)/ Liability recognized in the Balance Sheet as at year end | 2014-15 (Rs) | 2013-14 (Rs) | 2012-13 (Rs) | 2011-12 (Rs) | 2010-11 (Rs) |
|----|--|--------------|--------------|--------------|--------------|--------------|
| | Present value of obligation at the end of the year | 37,481,474 | 42,542,663 | 45,367,400 | 33,370,895 | 41,680,910 |
| | Fair value of plan assets at the end of the year | 28,614,132 | 29,964,326 | 13,483,864 | 18,230,894 | 13,417,660 |
| | Net present value of funded obligation recognized as (asset)/ liability in the Balance Sheet | 8,867,342 | 12,578,337 | 31,883,536 | 15,140,001 | 28,263,250 |

Subsidiary Company Mayabandar Doors Limited

| | Net (Asset)/Liability recognised in Balance Sheet as at the year end | 2014-15 (Rs) | 2013-14 (Rs) |
|--|--|--------------|--------------|
| | Present value of obligation at the end of the year | 1,215,544 | 1,030,598 |
| | Fair value of plan assets at the end of the year | - | - |
| | Net present value of funded obligation recognized as (asset)/ liability in the Balance Sheet | 1,215,544 | 1,030,598 |

| Particulars | Holding Company | | Subsidiary Company Mayabandar Doors Ltd | |
|--|-----------------|---------------|--|---------------|
| | Current Year | Previous Year | Current Year | Previous Year |
| vi. Expenses recognized in the Statement of Profit and Loss | | | | |
| Current Service Cost | 1,553,785 | 1,705,229 | 110,236 | 102,707 |
| Interest Cost | 3,682,162 | 3,928,701 | 86,857 | 70,736 |
| Actuarial (gain)/ loss recognized in the period | 5,834,707 | 1,516,911 | (12,147) | 163,952 |
| Past Service Cost (if applicable) | | | | - |
| Expected return on plan assets | (2,397,146) | (1,078,709) | | |
| Total expenses recognized in the Statement of Profit and Loss for the year | 8,673,508 | 6,072,132 | 184,946 | 337,395 |
| Actual return on plan assets | | | | |

The above disclosures are based on information furnished by the independent actuary and relied upon by the auditors.

c. Long Term Employee Benefits
Compensated absences (Vesting and Non Vesting): Unfunded Obligation

| i. | Actuarial Assumptions | Current Year | Previous Year |
|----|---------------------------|---|---|
| | Discount Rate (per annum) | 8.50% | 8.50% |
| | Salary escalation rate* | 5.00% | 5.00% |
| | Mortality rate | Indian Assured Lives (1994-1996) Ultimate | Indian Assured Lives (1994-1996) Ultimate |

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

| ii. | Reconciliation of present value of obligation | Current Year (Rs) | Previous Year (Rs) |
|-----|--|-------------------|--------------------|
| | Present value of obligation at the beginning of the year | 2,027,738 | 2,151,385 |
| | Current Service Cost | 335,257 | 321,955 |
| | Interest Cost | 186,606 | 196,550 |
| | Actuarial (gain)/ loss | (264,933) | (204,353) |
| | Benefits Paid | (247,822) | (437,799) |
| | Present value of obligation at the end of the year | 2,036,846 | 2,027,738 |

| iii. | Net (Asset)/ Liability recognized in the Balance Sheet as at year end | Current Year (Rs) | Previous Year (Rs) |
|------|--|-------------------|--------------------|
| | Present value of obligation at the end of the year | 2,036,846 | 2,027,738 |
| | Fair value of plan assets at the end of the year | - | - |
| | Net present value of unfunded obligation recognized as (asset)/ liability in the Balance Sheet | 2,036,846 | 2,027,738 |

| iv. | Expenses recognized in the Statement of Profit and Loss | Current Year (Rs) | Previous Year (Rs) |
|-----|--|-------------------|--------------------|
| | Current Service Cost | 335,257 | 321,955 |
| | Interest Cost | 186,606 | 196,550 |
| | Actuarial (gain)/ loss recognized in the period | (264,933) | (204,353) |
| | Past Service Cost (if applicable) | | |
| | Total expenses recognized in the Statement of Profit and Loss for the year | 256,930 | 314,152 |

The above disclosures are based on information furnished by the independent actuary and relied upon by the auditors.

| Note No | Particulars | As at 31 st March 2015 (Rs.) | As at 31 st March 2014 (Rs.) |
|-----------|---|---|---|
| 09 | SHORT TERM BORROWINGS | | |
| | Loans repayable on demand | | |
| | - Working capital loans from Banks (Secured) (Note 09.01) | 216,082,546 | 242,236,356 |
| | - Loan from related parties (Unsecured) | - | |
| | - From Directors (Note 09.02) | 771,918 | 3,626,798 |
| | - From Others | | |
| | - Estate of Late Mr P K Mohamed (Note 09.02) | 2,839,963 | 4,099,570 |
| | - ERA Intermerge SDN BHD (Note 09.02) | 320,965 | - |
| | Others | | |
| | Buyers credit from Banks (Secured) (Note 09.03) | 16,365,302 | 13,917,237 |
| | | 236,380,694 | 263,879,961 |

09.01 Working Capital loans availed from banks are repayable on demand and are secured by Hypothecation of Raw Materials, Work In Process, Finished Goods, Receivables and other current assets of the Company. The above loans are also secured by pari pasu second charge over the entire fixed assets of the company and the personal guarantee of the Managing Director.

09.02 Loan from the Directors and Others are repayable on demand.

09.03 Buyers credit from State Bank of India & Dena Bank have been availed under the existing limits of Letter of Credit sanctioned by the bank and are secured by goods procured under the said facility. The above loans are secured by pari pasu second charge over the entire fixed assets of the company and the personal guarantee of the Managing Director. Buyers Credit from banks are repayable within a period of 180 days from the date of said loan.

| Note No | Particulars | As at 31 st March 2015 (Rs.) | As at 31 st March 2014 (Rs.) |
|-----------|-----------------------|---|---|
| 10 | TRADE PAYABLES | | |
| | Trade payables | 70,097,544 | 65,731,727 |
| | | 70,097,544 | 65,731,727 |

10.02 The Group has taken steps to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act 2006 and the same is in progress. Based on available information, there are no balance outstanding as payable to such suppliers as at the year end. In the opinion of the management there are no amounts paid/payable towards interest under the said statute.

| Note No | Particulars | As at 31 st March 2015 (Rs.) | As at 31 st March 2014 (Rs.) |
|-----------|---|---|---|
| 11 | OTHER CURRENT LIABILITIES | | |
| | Current Maturities of Long Term Debts (<i>Note No. 06.02</i>) | 36,416,177 | 36,341,379 |
| | Interest Accrued and due on borrowings | 391,677 | - |
| | Interest Accrued but not due on Borrowings | 72,715 | 65,211 |
| | Others | | |
| | Advance from customers | 7,536,069 | 9,729,804 |
| | Trade Deposits | 3,559,183 | 2,559,183 |
| | Unpaid Dividend* | 3,754,974 | 3,116,820 |
| | Statutory Dues | 5,245,070 | 7,218,307 |
| | Excise Duty on closing stock | 22,626,598 | 21,378,897 |
| | Other current liabilities | 7,057,500 | 3,368,146 |
| | | 86,659,963 | 83,777,747 |

* Does not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund

| Note No | Particulars | As at 31 st March 2015 (Rs.) | As at 31 st March 2014 (Rs.) |
|-----------|---|---|---|
| 12 | SHORT TERM PROVISIONS | | |
| | Provision for Employee Benefits (<i>Note 08.01</i>) | | |
| | For Gratuity | 8,867,342 | 12,578,337 |
| | For Compensated Absences | 399,414 | 427,281 |
| | | 9,266,756 | 13,005,618 |
| | Other Provisions | | |
| | For Income Tax | 11,546,088 | 8,040,008 |
| | For Corporate Dividend | 7,081,138 | 5,287,856 |
| | For Corporate Dividend Tax | 1,441,553 | 898,671 |
| | | 29,335,535 | 27,232,153 |
| 14 | NON CURRENT INVESTMENT - LONG TERM | | |
| 1) | Investment in equity instruments | | |
| | Trade - Unquoted | | |
| | 6,000 (6,000) Equity Shares of Rs. 100/- each in Kutty Flush Doors and Furniture Co. (P) Ltd. | 325,100 | 325,100 |
| | Non trade - Quoted | | |
| | 2500 (2500) Equity Shares of Rs. 2/- (PY Rs.2/-) each in HDFC Bank Ltd. | 5,000 | 5,000 |
| | Listed but quote not available | | |
| | 10,000 (10,000) Equity Shares of Rs. 10/- each in Keltron Component Complex Ltd | 100,000 | 100,000 |
| | Less : Provision | (100,000) | (100,000) |
| | | - | - |

NOTE 13 - FIXED ASSETS

(A) TANGIBLE ASSETS

[Amount in Rupees]



| Particulars | GROSS BLOCK - AT COST | | | | DEPRECIATION | | | | NET BLOCK | |
|----------------------------------|----------------------------------|---------------------------|---|----------------------------------|----------------------------------|--|---|----------------------------------|------------------------------|------------------------------|
| | As at 01.04.2014 | Additions During the year | Adjustments/ Deductions during the year | As at 31.03.2015 | As at 01.04.2014 | For the year (Refer Note No 13.02 below) | Adjustments/ Deductions during the year | As at 31.03.2015 | As at 31.03.2015 | As at 31.03.2014 |
| Free Hold Land | 5,678,642 (5,678,642) | - | - | 5,678,642 (5,678,642) | - | - | - | - | 5,678,642 (5,678,642) | 5,678,642 (5,678,642) |
| Lease Hold Land | 241,921 (241,921) | - | - | 241,921 (241,921) | - | - | - | - | 241,921 (241,921) | 241,921 (241,921) |
| Buildings | 28,078,987 (28,078,987) | 50,000 | - | 28,128,987 (28,078,987) | 18,042,490 (17,243,511) | 1,382,848 (798,979) | - | 19,425,338 (18,042,490) | 8,703,649 (10,036,497) | 10,036,497 (10,835,476) |
| Plant & Equipment | 1,260,794,016 (1,249,230,895) | 2,818,831 (11,616,719) | - (53,598) | 1,263,612,847 (1,260,794,016) | 1,055,467,923 (1,005,173,762) | 18,964,117 (50,339,198) | 2,972,794 (45,037) | 1,077,404,834 (1,055,467,923) | 186,208,013 (205,326,093) | 205,326,093 (244,057,133) |
| Vehicles | 26,916,880 (21,819,686) | 724,348 (5,979,688) | 680,004 (882,494) | 26,961,224 (26,916,880) | 14,451,597 (13,701,804) | 2,221,088 (1,298,983) | 291,749 (549,190) | 16,380,936 (14,451,597) | 10,580,288 (12,465,283) | 12,465,283 (8,117,882) |
| Furniture & Fittings | 2,288,985 (2,194,175) | 36,428 (94,810) | - | 2,325,413 (2,288,985) | 1,393,172 (1,299,347) | 621,646 (93,825) | - | 2,014,818 (1,393,172) | 310,595 (895,813) | 895,813 (894,828) |
| Computer | 3,013,944 (2,860,018) | 184,405 (153,926) | - | 3,198,349 (3,013,944) | 2,709,997 (2,561,116) | 247,627 (148,881) | - | 2,957,624 (2,709,997) | 240,725 (303,947) | 303,947 (298,902) |
| Current Year | 1,327,013,375 | 3,814,012 | 680,004 | 1,330,147,383 | 1,092,065,179 | 23,437,326 | 3,264,543 | 1,118,183,550 | 211,963,833 | 234,948,196 |
| Previous Year | (1,310,104,324) | (17,845,143) | (936,092) | (1,327,013,375) | (1,039,979,540) | (52,679,866) | (594,227) | (1,092,065,179) | 234,948,196) | (270,124,784) |
| Capital Work in Progress at Cost | 1,531,050 | 2,049,564 | - | 3,580,614 | - | - | 18,000 | 18,000 | 3,562,614 | - |
| | | (1,531,050) | - | (1,531,050) | - | - | - | - | - | - |
| B) INTANGIBLE ASSETS | | | | | | | | | | |
| Software License Fee | 40,500 (40,500) | - | - | 40,500 (40,500) | 24,881 (14,469) | 13,594 (10,412) | - | 38,475 (24,881) | 2,025 (15,619) | 15,619 (15,619) |
| Current Year | 40,500 | - | - | 40,500 | 24,881 | 13,594 | - | 38,475 | 2,025 | 15,619 |
| Previous Year | (40,500) | - | - | (40,500) | (14,469) | (10,412) | - | (24,881) | (15,619) | (26,031) |

Note 13.01

Consequent to Schedule II of the Companies Act, 2013 becoming applicable with effect from 01.04.2014, depreciation for the year has been provided on the basis of useful lives prescribed in the aforesaid Schedule II. This has an impact of reducing depreciation for the year by an amount of Rs 2,78,98,028/-

Note 13.02

Depreciation for the year includes transitional adjustments consequent to application of Schedule II of the Companies Act, 2013 Rs 6,30,021/- representing carrying amount of assets with no further useful lives. Such transitional adjustments (net of deferred tax) Rs 4,15,877/- has been adjusted against the opening balance of Retained Earnings.

| | | | |
|----|--|-------------------|-------------------|
| | Non Trade - Unquoted | | |
| | 10,000 (10,000) Equity Shares of Rs. 10/- each in Transformers and Electricals Kerala Ltd. | 100,000 | 100,000 |
| | 5,000 (5,000) Equity Shares of Rs. 10/- each in Steel Complex Ltd. | 50,000 | 50,000 |
| | Less : Provision | (50,000) | (50,000) |
| | | 100,000 | 100,000 |
| 2) | Investment in Debentures | | |
| | Trade Unquoted | | |
| | 150 (150) Debentures of Rs. 10000/- each in Kutty Flush Doors and Furniture Co. (P) Ltd. | 1,500,000 | 1,500,000 |
| | Less Provision | (1,500,000) | - |
| | | - | 1,500,000 |
| 3) | Investment in Government and Trust Securities | | |
| | National Savings Certificates | 77,000 | 77,000 |
| | TOTAL INVESTMENTS | 507,100 | 2,007,100 |
| | Aggregate amount of Quoted Investments | 5,000 | 5,000 |
| | Aggregate Market Value of Quoted investments | 2,557,125 | 1,872,000 |
| | Aggregate amount of Unquoted Investments | 502,100 | 2,002,100 |
| | Provision for Diminution in value of investments | 1,650,000 | 150,000 |
| 15 | LONG TERM LOANS AND ADVANCES | | |
| | (Unsecured, considered good) | | |
| | Capital Advances | 3,600,000 | - |
| | Security deposit | 9,764,460 | 9,692,737 |
| | Others: | | |
| | Excise Duty Paid under Protest | 600,000 | 600,000 |
| | Advances | | |
| | - Others | 430,034 | - |
| | (Unsecured, considered doubtful) | | |
| | Security Deposits | 798,921 | 625,251 |
| | Less: Provision for doubtful security deposits | (798,921) | (625,251) |
| | | - | - |
| | Other loans and advances | | |
| | Advances recoverable in cash or in kind or value to be received | 1,616,132 | 3,487,237 |
| | Less: Provision for doubtful advances | (1,616,132) | (3,487,237) |
| | | - | - |
| | TOTAL | 14,394,494 | 10,292,737 |

| Note No | Particulars | As at 31 st March 2015 (Rs.) | As at 31 st March 2014 (Rs.) |
|-----------|--|---|---|
| 16 | INVENTORIES | | |
| | Raw Materials (including stock in transit Rs. 60,05,562/- (Rs 55,39,774/-)) | 37,068,714 | 25,147,815 |
| | Work-in-progress (Veneer) | 43,472,357 | 45,795,480 |
| | Job Work in Progress | 977,742 | 1,035,688 |
| | Finished Goods (Refer Note 16.01) (including stock in transit Rs.2,62,471/- (Rs 7,37,893 /-)) | 274,532,516 | 276,359,014 |
| | Stores and Spares (including stock in transit Rs.2,17,023/- (Rs Nil)) | 49,599,678 | 50,127,472 |
| | | 405,651,007 | 398,465,469 |
| 16.01 | Method of valuation of inventories - See Note 1(h) of Significant Accounting Policies. | | |
| 17 | TRADE RECEIVABLES | | |
| | Aggregate amount of Trade Receivables outstanding for a period exceeding six months from the date they are due for payment | | |
| | Unsecured, Considered Good | 45,205,728 | 39,652,973 |
| | Considered Doubtful | 16,289,900 | 11,383,675 |
| | Less: Provision for doubtful debts | (16,289,900) | (11,383,675) |
| | | 45,205,728 | 39,652,973 |
| | Other Debts | | |
| | Unsecured, Considered Good | 132,495,245 | 105,415,106 |
| | | 177,700,973 | 145,068,079 |
| 18 | CASH AND CASH EQUIVALENTS | | |
| | Cash on hand | 1,099,016 | 5,604,330 |
| | Cheques on hand | 4,607,899 | 3,776,756 |
| | Balance with Banks | | - |
| | - in Current Accounts (See Note 18.01) | 22,485,160 | 26,697,352 |
| | - in Deposit Accounts (See Note 18.02) | 18,474,587 | 7,263,248 |
| | | 46,666,662 | 43,341,686 |

18.01 Balance with banks in current accounts include amount deposited in Unclaimed Dividend Account totalling to Rs 37,54,974/- (Rs 31,16,820/-) which is earmarked for payment of dividend and cannot be used for any other purpose.

18.02 Balance with banks in deposit accounts include Rs 84,74,587/- (Rs 72,63,248/-) which represents Margin money deposits held as security for availing Letter of Credit and Bank guarantee facilities from various Banks.

| Note No | Particulars | As at 31 st March 2015 (Rs.) | As at 31 st March 2014 (Rs.) |
|--------------------------------------|---|---|---|
| 19 | SHORT TERM LOANS AND ADVANCES (Unsecured, considered good) | | |
| | - Prepaid Expenses | 1,758,152 | 1,841,330 |
| | - Advance to Employees | 3,713,602 | 3,648,407 |
| | - Balance with Central Excise, Customs etc. | 2,110,250 | 1,424,588 |
| | - Other advances recoverable in cash or in kind | 12,424,379 | 18,452,096 |
| | | 20,006,383 | 25,366,421 |
| 20 | OTHER CURRENT ASSETS | | |
| | Interest Receivable | 291,446 | 165,156 |
| | Others | | |
| | - VAT refund receivable | 1,014,760 | 10,686,616 |
| | - Drawback Claim receivable | 1,038,346 | 1,030,296 |
| | | 2,344,552 | 11,882,068 |
| Note No | Particulars | For the year ended 31.03.2015 (Rs) | For the year ended 31.03.2014 (Rs) |
| 21 | REVENUE FROM OPERATIONS | | |
| | SALE OF PRODUCTS | | |
| | Plywood | 171,514,592 | 183,335,307 |
| | Hardboard | 614,388,366 | 579,271,784 |
| | Pre Compressed Board | 23,120,090 | 24,860,415 |
| | Compreg | 138,556,002 | 181,923,975 |
| | Pre Finishing Board | 17,114,988 | 20,294,111 |
| | Furniture | 22,394,530 | 20,931,902 |
| | Veneer | 15,582,570 | - |
| | Flush Doors and Panel Doors | 42,217,007 | 42,959,109 |
| | Other Miscellaneous Sales | 6,359,815 | 2,041,832 |
| | | 1,051,247,960 | 1,055,618,435 |
| | OTHER OPERATING REVENUE | | |
| | Export Incentives | 2,967,829 | 2,558,686 |
| | | 2,967,829 | 2,558,686 |
| Revenue from Operations (Gross) | 1,054,215,789 | 1,058,177,121 | |
| Less: Excise Duty | 92,717,854 | 97,816,679 | |
| Revenue from Operations (Net) | 961,497,935 | 960,360,442 | |

| Note No | Particulars | For the year ended 31.03.2015 (Rs) | For the year ended 31.03.2014 (Rs) |
|--------------|--|---------------------------------------|---------------------------------------|
| 22 | OTHER INCOME | | |
| | Job Work Charges | 659,331 | 258,172 |
| | VAT Refund | 1,288,785 | - |
| | Dividend Income | 17,125 | 13,750 |
| | Net gain on foreign currency translation | - | 961,215 |
| | Miscellaneous Income | 82,106 | 55,394 |
| | Liabilities/Provisions no longer required written back | 1,930,000 | 454,100 |
| | | 3,977,347 | 1,742,631 |
| 23 | COST OF MATERIALS CONSUMED | | |
| | Inventory at the beginning of the year | 32,215,040 | 24,780,106 |
| | Add: Purchases | 406,309,715 | 441,814,300 |
| | Less: Inventory at the end of the year | 37,068,714 | 32,215,040 |
| | Cost of raw materials consumed | 401,456,041 | 434,379,366 |
| 23.01 | Details of raw materials consumed | | |
| | Timber | 70,237,707 | 71,517,643 |
| | Firewood | 184,521,504 | 166,127,862 |
| | Veneer | 78,604,262 | 125,475,948 |
| | Others | 68,092,568 | 71,257,913 |
| | | 401,456,041 | 434,379,366 |
| 24 | CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS | | |
| | Inventory at the beginning of the year | | |
| | Finished Goods | 269,291,789 | 248,970,253 |
| | Job Work in Progress | 1,035,688 | 1,402,091 |
| | Work-in-progress (Veneer) | 45,795,480 | 46,178,003 |
| | | 316,122,957 | 296,550,347 |
| | Inventory at the end of the year | | |
| | Finished Goods | 274,532,516 | 269,291,789 |
| | Job Work in Progress | 977,742 | 1,035,688 |
| | Work-in-progress (Veneer) | 43,472,357 | 45,795,480 |
| | | 318,982,615 | 316,122,957 |
| | (Increase) /decrease in Inventory | (2,859,658) | (19,572,610) |
| 25 | EMPLOYEE BENEFITS EXPENSE | | |
| | Salaries, Wages and Bonus (Refer Note No 25.01) | 137,730,111 | 129,621,930 |
| | Contribution to Provident and Other Funds | 13,496,202 | 13,791,136 |
| | Workmen and Staff Welfare Expenses | 4,302,277 | 3,845,207 |
| | Gratuity | 8,921,467 | 6,193,783 |
| | Leave Encashment | 256,930 | 314,152 |
| | | 164,706,987 | 153,766,208 |

25.01 Includes Rs 16,64,453/- being remuneration to the Managing Director for the period from 11th November, 2014 to 31st March, 2015, which has been provided in the accounts based on the recommendation of the Remuneration Committee at their meeting held on 11.11.2014 and approved by the Board of Directors at their meeting held on 11.11.2014. Approval from share holders under Companies Act, 2013 is being sought at the ensuing General Meeting.

| Note No | Particulars | For the year ended 31.03.2015 (Rs) | For the year ended 31.03.2014 (Rs) |
|-----------|--|------------------------------------|------------------------------------|
| 26 | FINANCE COSTS | | |
| | Interest expenses | 37,935,747 | 39,869,129 |
| | Less: Interest received | (1,462,276) | (1,062,939) |
| | Net | 36,473,471 | 38,806,190 |
| | Other Borrowing Cost | 2,477,962 | 580,781 |
| | | 38,951,433 | 39,386,971 |
| 27 | OTHER EXPENSES | | |
| | Consumptions of stores and spares | 3,725,299 | 4,629,394 |
| | Packing and Forwarding cost | 25,064,443 | 19,074,030 |
| | Road Freight | 29,187,772 | 25,412,762 |
| | Power & Fuel | 149,342,332 | 149,797,166 |
| | Job Work Charges | 1,973,718 | 15,458,577 |
| | Rent | 1,893,318 | 1,870,048 |
| | Manufacturing Expenses | 1,546,348 | 1,983,915 |
| | Repairs & Maintenance | | |
| | Machinery | 29,957,232 | 30,432,161 |
| | Building | 985,770 | 942,888 |
| | Others | 2,181,438 | 1,442,987 |
| | Commission and Discount | 10,370,400 | 12,081,698 |
| | Insurance | 2,752,100 | 2,292,815 |
| | Rates & Taxes | 6,142,853 | 7,532,963 |
| | Payments to Auditors (Refer Note no 27.01) | 1,084,242 | 1,081,346 |
| | Bad debts/ Irrecoverable deposits and advances | 571,105 | - |
| | Less Provision made | (571,105) | - |
| | | - | - |
| | Provision for irrecoverable debts/advances | 5,078,995 | 2,286,797 |
| | Provision for investment in debenture | 1,500,000 | - |
| | Net loss on foreign currency translation | 701,007 | - |
| | Travelling expenses | 6,667,148 | 6,692,957 |
| | Directors Sitting fees | 270,000 | 235,000 |
| | Legal & Professional Charges | 1,600,579 | 1,370,446 |
| | Security Charges | 2,112,281 | 1,912,360 |
| | Bank Charges | 864,847 | 1,000,648 |
| | Excise Duty on closing stock | 763,383 | 2,169,686 |
| | Miscellaneous expenses | 6,794,472 | 7,498,440 |
| | | 292,559,977 | 297,199,084 |

| Note No | Particulars | For the year ended 31.03.2015 (Rs) | For the year ended 31.03.2014 (Rs) |
|--------------|---|---------------------------------------|---------------------------------------|
| 27.01 | Payments to Auditors | | |
| | a) Statutory Audit fee | 611,486 | 604,949 |
| | b) Other services | | |
| | i) Taxation Matters | 100,000 | 100,000 |
| | ii) Others | 372,756 | 376,397 |
| | Total | 1,084,242 | 1,081,346 |
| 28 | Earnings per equity share | | |
| | Profit after taxation (Rs) | 32,620,459 | 11,411,256 |
| | Less: Dividend on preference shares & Tax thereon | 1,372,077 | 1,457,117 |
| | Net profit available to Equity Shareholders (Rs) | 31,248,382 | 9,954,139 |
| | Weighted Average Number of Equity Shares of Rs. 10/- each (fully paid-up) | 8,487,340 | 8,487,340 |
| | Earnings per share - Basic & Diluted (Rs) | 3.68 | 1.17 |

- 29** The financial statements of the subsidiary companies are drawn upto the same date as of the company viz., 31st March. The financial statements of the overseas subsidiary company as at 31st March, 2014 have been compiled/furnished by the management of the entity, which include figures for three months ended 31st March 2014 which are not audited, since audit of accounts of the entity has been done for the year ended 31st December 2013.
- 30** In respect of the difference in accounting policies followed by the holding company and its subsidiaries in respect of method of depreciation and accounting for gratuity, the management is of the opinion that the effect on the consolidated financial statements is not material.
- 31** In respect of M/s Kohinoor Saw Mill Company Limited, the company's accumulated losses have exceeded the paid up capital by Rs.9,10,049/- (Rs 10,36,702/-) and the total liabilities exceeds the total assets by Rs.9,10,049/- (Rs 10,36,702/-). Further the company's current liabilities at the year end have exceeded its current assets by Rs 9,90,635/- (Rs 11,17,288/-). However, the management is of the opinion that in view of the operational and financial support of the holding company, the company will be able to continue as a going concern.
- 32** The company had entered into an agreement with M/s Era Intermerge SDN BHD in an earlier year for setting up a Joint Venture entity (ERA & WIP Timber JV SDN BHD) in Malaysia as per which the company would have 45% share in ownership and voting in the JV. Pending completion of certain formalities in Malaysia, the Joint Venturer M/s ERA Intermerge SDN BHD has been unable to make their agreed share of investment, as a result of which the share holding of the company in the entity as at 31st March 2015 is 65.87% (61.16%). Accordingly the entity, ERA& WIP Timber JV SDN BHD has been treated as a subsidiary in the books of account of the company and disclosures under Accounting Standard (AS)- 27 Financial Reporting of Interests in Joint Ventures are not applicable at this stage.

33 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

| Name of the entity | Net Assets | | | |
|--|-------------------------------|---------------------------------|-------------------------------|---------------------------------|
| | For the year ended 31.03.2015 | | For the year ended 31.03.2014 | |
| | Amount (Rs) | As % of consolidated net assets | Amount (Rs) | As % of consolidated net assets |
| Parent Company | 336,778,129 | 86.95% | 323,511,697 | 89.99% |
| Subsidiaries: | | | | |
| a) Indian | | | | |
| Southern Veneers & Woods Works Ltd | 6,566,253 | 1.70% | 6,324,400 | 1.76% |
| The Kohinoor Saw Mills Co Ltd | (910,049) | -0.23% | (1,036,702) | -0.29% |
| Mayabandar Doors Ltd | 13,045,262 | 3.37% | 12,121,093 | 3.37% |
| b) Foreign | | | | |
| ERA & WIP Timber JV SDN BHD | 22,553,604 | 5.82% | 12,020,479 | 3.34% |
| Minority interest in all subsidiaries | 9,298,931 | 2.40% | 6,536,554 | 1.82% |
| Total | 387,332,130 | 100.00% | 359,477,521 | 100.00% |

| Name of the entity | Share in profit or loss | | | |
|--|-------------------------------|-------------------------------------|-------------------------------|-------------------------------------|
| | For the year ended 31.03.2015 | | For the year ended 31.03.2014 | |
| | Amount (Rs) | As % of consolidated profit or loss | Amount (Rs) | As % of consolidated profit or loss |
| Parent Company | 32,252,730 | 98.87% | 16,871,701 | 147.85% |
| Subsidiaries: | | | | |
| a) Indian | | | | |
| Southern Veneers & Woods Works Ltd | 241,855 | 0.74% | 395,334 | 3.46% |
| The Kohinoor Saw Mills Co Ltd | 115,025 | 0.35% | 117,726 | 1.03% |
| Mayabandar Doors Ltd | 819,584 | 2.51% | (6,489,835) | -56.87% |
| b) Foreign | | | | |
| ERA & WIP Timber JV SDN BHD | (1,437,005) | -4.41% | (792,247) | -6.94% |
| Minority interest in all subsidiaries | 628,270 | 1.93% | 1,308,577 | 11.47% |
| Total | 32,620,459 | 100.00% | 11,411,256 | 100.00% |

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

| Particulars | Rs | As at 31 st March 2015 | Rs | As at 31 st March 2014 |
|---|--------------|--------------------------------------|--------------|--------------------------------------|
| Consideration Paid | | 23,225,459 | | 23,225,459 |
| Nominal value of share capital held by Western India Plywoods Limited in Mayabandar Doors Limited | 9,910,100 | | 9,910,100 | |
| Share of Western India Plywoods Limited's in the accumulated losses as on the date of acquisition | (14,696,087) | (4,785,987) | (14,696,087) | (4,785,987) |
| Goodwill on consolidation | | 28,011,446 | | 28,011,446 |

35 In the opinion of the management, there is no impairment in the carrying cost of Fixed Assets of the Group in terms of the Accounting Standard - 28 prescribed by the Companies (Accounting Standards) Rules, 2006.

36 Disclosure of transactions with related parties as required by Accounting Standard – 18 on related party disclosures as prescribed by Companies (Accounting standards) Rules, 2006.

Key Managerial Personnel Mr P K Mohamed (Managing Director upto 29.09.2014)
Mr P K Mayan Mohamed - Managing Director
(Joint Managing Director upto 10.11.2014)

Relatives of Key Managerial Personnel Mr P K Hashim, Mrs P K Mariam, Mr P K Mehaboob
Mr P K Saquib, Mr P K Asif, Mr P K Harris,
Mrs P K Jameela, Mrs P K Rafia, Mrs Liza
Estate of Late A K Kader Kutty
Estate of Late P K Mohamed

Enterprise over which key management personnel or their relatives are able to exercise significant control Windmach Sports Goods (P) Ltd
Classic Sports Goods (P) Ltd
Kontiki Chemicals & Pharmaceuticals (P) Ltd
Universal Transport Co
Western Fibre and Allied Products (P) Ltd
Western Food & Beverages
Coirtex (P) Ltd

(Figures in Rupees)

| Particulars | Key Management Personnel | Relatives of key Management Personnel | *Enterprises | Total |
|---|--------------------------|---------------------------------------|--------------------------|--------------------------|
| Purchases of Goods/ Assets | | | | |
| Kontiki Chemicals & Pharmaceuticals (P) Limited | | | 2,832,000 (4,520,460) | 2,832,000 (4,520,460) |
| Windmach Sports Accessories (P) Limited | | | 1,900 - | 1,900 - |

| | | | | |
|---|-------------|-------------|-----------|-------------|
| Sale of Goods/Assets : | | | | |
| Windmach Sports Accessories (P) Limited | | | 216,890 | 216,890 |
| | | | (325,806) | (325,806) |
| Kontiki Chemicals & Pharmaceuticals (P) Ltd | | | 34,929 | 34,929 |
| | | | (181,333) | (181,333) |
| Services Received : | | | | |
| P K Mohamed | 1,800,000 | | | 1,800,000 |
| | (3,600,000) | | | (3,600,000) |
| P K Mayan Mohamed | 3,126,004 | | | 3,126,004 |
| | (1,200,000) | | | (1,200,000) |
| Others | | 643,992 | | 643,992 |
| | | (578,652) | | (578,652) |
| Finance(Interest on Loan / Fixed Deposit/Payables) : | | | | |
| P K Mohamed | 156,165 | | | 156,165 |
| | (274,922) | | | (274,922) |
| P K Mayan Mohamed | 14,387 | | | 14,387 |
| | (12,152) | | | (12,152) |
| Estate of Late A K Kader Kutty | | 200,241 | | 200,241 |
| | | (170,242) | | (170,242) |
| Estate of late PK Mohamed | | 76,682 | | 76,682 |
| | | - | | - |
| Balance as on 31.03.2015 | | | | |
| Amounts Payable : | | | | |
| P K Mohamed | - | | | - |
| | (2,715,319) | | | (2,715,319) |
| P K Mayan Mohamed | 145,786 | | | 145,786 |
| | (133,914) | | | (133,914) |
| Estate of Late A K Kader Kutty | | 2,493,638 | | 2,493,638 |
| | | (2,493,638) | | (2,493,638) |
| Estate of late PK Mohamed | | 2,839,963 | | 2,839,963 |

37 Segment Information

In respect of the Company: The company is engaged in the business of manufacture and sale of wood base products which form broadly part of one product group and hence constitute a single business segment. However, based on geographical factors, reportable geographic segments have been identified as export sales and domestic sales. The segment wise information pertaining to the reportable geographical segments as above is as follows:

| | Export (Rs) | Domestic (Rs) | Total (Rs) |
|--|------------------------------|------------------------------|--|
| Segment Revenue - Income from Operations | 193,971,388 (148,798,824) | 725,515,767 (774,125,582) | 919,487,155 (922,924,406) |
| Segment results | 10,161,898 (4,974,087) | 78,000,623 (43,222,231) | 88,162,521 (48,196,318) |
| Unallocated Expenditure | | | 3,515,313 (2,116,812) |
| Unallocated Income | | | 3,250,844 (1,777,084) |
| Interest Expenses | | | 38,984,907 (35,286,946) |
| Profit before taxation | | | 48,913,145 (12,569,644) |

Capital employed as also assets and liabilities of the Company are not capable of being stated separately segment-wise since all the assets and liabilities are held under composite undertaking for both the geographic segments.

In respect of the subsidiary Companies: The subsidiary companies are engaged only in one single geographic segment.

38 The details of Provisions and Contingent Liabilities are as under. (Disclosed in terms of Accounting Standard –29 on Provisions, Contingent Liabilities & Contingent Assets notified by the Companies (Accounting Standards) Rules, 2006.

| 38.01 | Contingent Liabilities | 31.03.2015 (Rs) | 31.03.2014 (Rs) |
|-------|---|-----------------|-----------------|
| a) | Letters of credit | 7,014,791 | 8,857,073 |
| b) | Bank guarantees | 6,788,750 | 6,018,405 |
| c) | Bills discounted | 1,548,105 | 1,820,302 |
| d) | Claims against the Company, not acknowledged as debts | - | 50,000,000 |
| e) | Disputed Income Tax Liability (Refer note no 38.02) | 2,923,110 | - |
| f) | Disputed Income Tax Demand in respect of the subsidiary company The Kohinoor Saw Mill Company Limited pending on appeal. | 46,901 | 46,901 |
| g) | Disputed power charges in respect of the subsidiary company Southern Veneers and Woodworks Limited | 27,754 | 27,754 |
| h) | Disputed CENVAT credit and penalty thereon under CENVAT Credit Rules, 2004. | 834,695 | 834,695 |

38.02 The Income Tax department has made certain disallowances on assessments completed for earlier years, which are pending on appeal before the first appellate authority. In the opinion of the management no provision is considered necessary for the same at this stage.

39 Estimated amount of contract remaining to be executed on capital account and not provided for Rs 57,98,811 (Rs Nil)

40 The figures in brackets, unless otherwise stated represents figures for the previous year. Figures have been rounded off to the nearest Rupee. Figures of the previous year have been regrouped/recast where ever necessary to suit the classification/disclosure of the current year.

For and on behalf of the Board of Directors

As per our separate report of even date attached

P.K MAYAN MOHAMED
Managing Director
(DIN 00026897)

T. BALAKRISHNAN
Chairman
(DIN 00052922)

For **M/s. Varma & Varma**
Chartered Accountants
(FRN - 004532S)

R. BALAKRISHNAN
G.M.(Finance) & Company
Secretary (M No 7119)

SATHYAKRISHNAN.B
Chief Financial Officer

VIJAY NARAYAN GOVIND
Partner

Place: Cochin
Date: 19.05.2015

M. No: 203094

TEN YEARS' FINANCIAL SUMMARY

(Rs. in Lakhs)

| Year ended March 31 | 2005-06 (6 Months) | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 | 2013-14 | 2014-15 |
|-----------------------------------|-----------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 1. Sales | 3280.91 | 7192.55 | 8160.52 | 9267.67 | 9019.84 | 9472.12 | 10097.38 | 9639.16 | 10175.92 | 10089.51 |
| 2. Other Income | 346.34 | 12.82 | 77.02 | 42.22 | 77.56 | 50.38 | 23.98 | 123.17 | 17.77 | 39.10 |
| 3. Cost of Materials | 967.68 | 2087.80 | 2494.01 | 3142.05 | 3105.58 | 3615.75 | 3985.87 | 3967.39 | 4141.05 | 3906.14 |
| 4. Power and Fuel | 543.02 | 1095.82 | 1231.58 | 1330.04 | 1151.01 | 1300.56 | 1365.69 | 1296.77 | 1459.38 | 1447.88 |
| 5. Salaries Wages & Bonus | 479.49 | 852.42 | 980.05 | 1161.32 | 1061.31 | 1139.46 | 1104.74 | 1483.42 | 1326.3 | 1458.51 |
| 6. Excise Duty | 373.38 | 820.69 | 618.50 | 492.97 | 581.42 | 785.83 | 833.02 | 969.59 | 946.68 | 894.64 |
| 7. Other Expenses | 482.03 | 1419.18 | 1961.73 | 1887.74 | 2005.81 | 1806 | 1676.36 | 1319.39 | 1708.49 | 1739.14 |
| 8. Depreciation | 225 | 466.07 | 465.99 | 467.3 | 465.4 | 468.50 | 482.12 | 487.66 | 486.10 | 192.48 |
| 9. Tax expenses | 29.56 | 56.30 | 227.32 | 280.32 | 352.55 | 99.37 | 77.03 | 90.85 | -56.11 | 160.54 |
| 10. Profit /(Loss) after Tax | 527.09 | 427.68 | 258.36 | 548.15 | 374.32 | 307.10 | 596.53 | 147.26 | 181.80 | 329.28 |
| 11. Dividend | | | | | | | | | | |
| a) Preference | - | - | - | 370.11 | 30.41 | 23.94 | 16.12 | 14.74 | 14.57 | 13.68 |
| b) Equity | - | - | - | - | 98.97 | 98.64 | 113.47 | 59.57 | 59.58 | 61.11 |
| c) Percentage (%) | - | - | - | - | 10 | 10 | 12 | 6 | 6 | 7 |
| 12. Net Block | 4945.47 | 4542.1 | 4150.81 | 3735.89 | 3394.23 | 3049.26 | 2657.41 | 2215.62 | 1858.50 | 1673.5 |
| 13. Investments | 56.31 | 56.32 | 56.32 | 102.19 | 102.19 | 116.19 | 228.3 | 460.55 | 805.10 | 896.86 |
| 14. Net Current Assets | 2690.91 | 3474.96 | 4293.18 | 4311.95 | 4949.21 | 5224.31 | 4059 | 4797.34 | 4643.78 | 4752.99 |
| TOTAL ASSETS | 7692.69 | 8073.38 | 8500.31 | 8150.03 | 8445.63 | 8389.76 | 6944.71 | 7473.51 | 7307.38 | 7323.35 |
| 15. Share Capital | 2232 | 2232 | 2232 | 2232 | 1158.73 | 1158.73 | 1058.74 | 1058.73 | 1038.73 | 1038.73 |
| 16. Reserves and Surplus | 417.20 | 844.88 | 1217.90 | 1395.94 | 1874.15 | 2058.66 | 2520.7 | 2593.64 | 2701.29 | 2951.62 |
| 17. Long Term Borrowings | 2410.60 | 2417.29 | 2347.04 | 2097.74 | 2655.60 | 2117.25 | 1226.16 | 1043.09 | 709.29 | 736.69 |
| 18. Short Term Borrowings | 2632.89 | 2579.21 | 2533.38 | 2002.92 | 2119.42 | 2495.98 | 1654 | 2452.98 | 2590.03 | 2353.68 |
| 19. Deferred Tax Liability | 0 | 0 | 170 | 421.43 | 637.73 | 559.14 | 485.1 | 325.07 | 268.04 | 242.63 |
| TOTAL LIABILITIES | 7693 | 8073 | 8500 | 8150 | 5790 | 8390 | 6944.7 | 7473.51 | 7307.38 | 7323.35 |
| 20. Tax,Duties paid to Government | 545.83 | 1111.66 | 1017.28 | 930.4 | 1219.23 | 1225.78 | 1343.52 | 1677.87 | 1577.75 | 1825.04 |

THE WESTERN INDIA PLYWOODS LTD.

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

NOTICE OF ANNUAL GENERAL MEETING:

NOTICE is hereby given that the 70th Annual General Meeting of The Western India Plywoods Limited will be held at 10 AM on Saturday, 26th September, 2015 at the registered Office of the Company at Kannur, to transact, with or without modification(s), as may be permissible, the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2015 and the Statement of Profit & Loss for the financial year ended on that date together with Cash flow statements, consolidated accounts, the Directors' Report and Auditors' Report thereon.
2. To declare dividend for the year ended 31st March, 2015.
3. To appoint a Director in place of Shri Ranjith Kuruvilla, who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to pass the following resolution as an Ordinary resolution:
"RESOLVED THAT pursuant to the provisions of section 139,142 and other applicable provisions, if any, of the Companies Act 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) M/s. Varma & Varma, Chartered Accountants, Cochin (Registration No: FRN 004532S) be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of the 70th annual general Meeting till the conclusion of the 72nd Annual General Meeting at such remuneration and reimbursement of out-of-pocket expenses in connection with the audit as the Board of Directors may fix in this behalf"

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:
"RESOLVED THAT pursuant to the provisions contained in Sections 196, 197, 203, and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendments thereto or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, approval be and is hereby accorded for the appointment of Mr. P.K. Mayan Mohamed as Managing Director for a period of three years effective from 11th November, 2014 and for the payment of remuneration as given hereunder, with liberty to the Board to alter and vary such terms and conditions including remuneration so as not to exceed the limits specified in Schedule V of the Companies Act, 2013, or any amendments thereto as may be decided by the Board of Directors."

Remuneration:

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

6. Leave Travel Concession: For self and family once in year to and from any place in India subject to the condition that only actual fare and hotel expenses.
7. Free telephone facility at residence.

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

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

6. To adopt new articles of Association of the Company containing regulations in conformity with Companies Act, 2013 and in this regard to consider and if thought fit to pass with or without modifications the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modifications or re-enactment thereof, for the time being in force) the existing Articles of Association of the company be and is hereby replaced with the new set of Articles of Association and the said new Articles of Association be and is hereby approved and adopted as the Articles of Association of the Company in place of, in substitution and to the entire exclusion of the existing Articles of Association of the Company.

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

7. To increase the approved limits of borrowing by the Board of Directors of the Company under section 180(1) (c) of the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to provisions of Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 {including any statutory modification(s) thereof and any rules there under for the time being in force}, consent of the members be and is hereby accorded to the Board of Directors of the Company to borrow for the purpose of business, such sum or sums of monies as they may deem necessary, notwithstanding the fact that the monies so borrowed and the monies to be borrowed from time to time (apart from (i) temporary loans obtained from the company's bankers in the ordinary course of business and (ii) acceptances of deposits of money from public repayable on demand or otherwise and withdrawable by cheque, draft, order or otherwise and / or temporary loans obtained in the ordinary course of business, whether in India or outside India) will exceed the aggregate of the paid up capital of the Company and its free reserves, provided that the total outstanding amount of such borrowings shall not exceed Rs 80 Crore (Rupees Eighty Crore) over and above the aggregate of the paid up capital of the Company and its free reserves at any time."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do or cause to be done all such acts, matters, deeds and other things as may be required or considered necessary or incidental thereto, for giving effect to the aforesaid resolution."

By order of the Board
For The Western India Plywoods Ltd.
R Balakrishnan
GM (Finance) & Company Secretary

Cochin
08.08.2015

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY.
2. A blank form of proxy is enclosed and if intended to be used, should be lodged with the Company at the Registered Office at least FORTY-EIGHT HOURS before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies etc. must be supported by appropriate resolutions/authority as applicable. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate

not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

3. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business under item nos. 5, 6 and 7 is annexed hereto. As per Clause 49 of the Listing Agreement executed with Stock Exchanges, the brief resume and functional expertise of the Directors seeking re-appointment is furnished below along with the details of Companies in which they hold Directorship and the details of membership or chairmanship of sub-committees of Board.
4. The Register of Members and Transfer Books of the Company will be closed from 17th September 2015 to 26th September 2015 both days inclusive. If the dividend as recommended by the Board of Directors is approved at the meeting, payment of such dividend will be made on or after 1st October, 2015, but within the statutory time limit of 30 days, as under:
 - a) To all beneficial owners in respect of shares held in electronic form as per the data as may be made available by the National Securities Depository Ltd and the Central Depository Services (India) Ltd. on 16th September, 2015.
 - b) To all members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 16th September 2015.
5. Members holding shares in dematerialized form may, kindly note that their address and bank account details, as furnished by their depositories to the Company, shall be printed on the Dividend Warrants, as per applicable regulations of the depositories. Members who wish to change their address/bank account details are requested to advise their Depository Participants about such change on or before 10th September 2015.
6. Members holding shares in physical form are requested to advise any change of address immediately to Cameo Corporate Services "Subramanian Building" No.1, Club House Road, Chennai – 600 002 Tel: 044-28460390 Telefax: 044-28460129 E-mail: cameo@cameoindia.com, the Registrar and Transfer Agents of the Company, on or before 10th September, 2015.
7. Members who wish to seek/desire any further information/clarification on the annual accounts are requested to send their queries at least 48 hours in advance of the date of the meeting to the registered office, by quoting the folio no. / client ID.
8. To support the 'Green Initiative', the members who have not registered their e-mail ids are requested to register the same with Depositories in case of demated shares or with the company in case of physical shares.
9. Members who have opted for receipt of physical copy of Annual Report are requested to bring their copies of Annual Report at the time of the meeting.
10. In compliance with Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Clause 35B of the Listing Agreement, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by Central Depository Securities Ltd. The facility for voting, through ballot paper, will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.
11. **Voting through Electronic means:**

Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Rule 21 of the Companies (Management and Administration) Rules, 2014 and the provisions of Clause 35B of the Listing Agreement entered into with the Stock Exchange, the Company shall provide members facility to exercise their right to vote at the 70th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited, (CDSL): EVSN150819041

The instructions for members for voting electronically (remote e-voting) are as under:

In case of members receiving e-mail:

- i) Log on to the e-voting website www.evotingindia.com.

- ii) Click on "Shareholders" tab to cast your votes.
- iii) Now, select the Electronic Voting Sequence Number - "EVSN" of "The Western India Plywoods Ltd " from the drop down menu and click on "SUBMIT".
- iv) Now Enter your User ID:

| | | |
|---------|--|---|
| User ID | for Members holding shares in Demat form | for Members holding shares in Demat form |
| | for NSDL: 8 Character DP ID followed by 8 Digits Client ID for CDSL: 16 digits beneficiary ID | Folio Number registered with the Company |

Then enter the Captcha Code as displayed and Click and Login

- v) If you are holding shares in Demat Form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used. If you are a first time user follow the steps given below:
- vi) Now, fill up the following details in the appropriate boxes:

| | | |
|------------------------|---|--|
| | for Members holding shares in Demat form | for Members holding shares in Physical form |
| PAN* | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both Demat shareholders as well as physical shareholders) | |
| DOB# | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. | |
| Dividend Bank Details# | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. | |

* Members who have not updated their PAN with the Company/RTA/Depository Participant are requested to use the first two letters of their name and the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name of the CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. (SI. No. mentioned in your address label can be used as Sequence No. for this purpose)

Please enter any one of the details in order to login. In case both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details filed

To avoid this problem of filling a default number in future, members are strongly advised to update their PAN details and dividend bank details immediately with the Depository Participants / RTA - Cameo Corporate Services Limited / Company.

- vii) After entering these details appropriately, click on "SUBMIT" tab.
- viii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@ # \$ % & *). Kindly note that this password is to be also used by the Demat holders for voting for Resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix) Click on the relevant EVSN on which you choose to vote.
- x) On the voting page, you will see Resolution description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- xii) After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- xiii) Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.
- xiv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xv) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and POA in favour of the Custodian who they have authorize to vote on their behalf in PDF format in the system for the scrutinizer to verify the vote. Further, they are requested to send the scanned copy of the Board Resolution/Authorization to the email id of scrutinizer (kpgmohan@gmail.com) and RTA (murali@cameoindia.com) with a copy marked to helpdesk.evoting@cdslindia.com.
- xvi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.Voting@cdslindia.com or contact Phone No. 022-22723333
- xvii) If Demat account holder has forgotten the password then enter the User ID and image verification code and click on Forgot Password & enter the details as prompted by the system.

In case of members receiving the **physical copy of Notice of AGM** [for members whose e-mail IDs are not registered with the company / depository participant(s) or requesting physical copy]:

Please follow all steps from sl. no. (i) to sl. no. (xvi) above, to cast vote.

Voting at AGM:

- i) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- ii) The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

General

- a) The remote e-voting period commences on 23rd September, 2015 and ends on 25th September, 2015. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form as on the cut-off date i.e. 16th September, 2015 may cast their vote electronically. The remote e-voting module shall be blocked by CDSL for e-voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- b) Any person, who acquires shares of the Company and becomes member of the Company after despatch of the notice and holding shares on the cut-off date i.e 16th September, 2015 may obtain the login ID and password by sending an email to investor@cameoindia.com or helpdesk.evoting@cdslindia.com by mentioning their Folio No./DP ID and Client ID. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote.
- c) A member may participate in the meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date (i.e 16th September, 2015) only shall be entitled to vote.
- d) The voting rights of a shareholder shall be in proportion to his shares in the paid up equity share capital of the Company as on the cut-off date of i.e. 16th September, 2015 Shri K P Gopi Mohan (Membership No. ACS 7110), Kochi has been appointed as Scrutinizer to scrutinize the e-voting process (electronically or otherwise) in a fair and transparent manner.
- f) The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, will first count the votes cast at the meeting, and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days after the conclusion of the AGM, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- g) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.wipltd.in and website of CDSL <http://www.evotingindia.com>

EXPLANATORY STATEMENT Pursuant to Section 102 of the Companies Act, 2013

As required by Section 102 of the Companies Act, 2013 (hereinafter referred as "the Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item nos.5, 6, & 7, of the accompanying Notice dated 08.08.2015

Item No 5

Mr. Mayan Mohamed was appointed as Joint Managing director for a period of three years commencing from 15.06.2014 and his remuneration was also fixed for a period of three years.

Consequent to the demise of Shri P K Mohamed , Managing Director, the Board in its meeting held on 11th November, 2014 resolved to appoint Mr Mayan Mohamed as Managing Director for a period of three years effective from 11.11.2014 and referred this matter to the Nomination and Remuneration Committee for recommendation of suitable remuneration payable to him.

The Committee after due consideration of the matter with reference to the provisions contained in Section 196 ,197 ,203 and other applicable provisions of the Companies Act ,2013 and the rules thereunder read with Schedule V had recommended the remuneration to be paid as specified in the resolution.

The Board, after careful consideration adopted the recommendations of the Nomination and Remuneration Committee and resolved to appoint Mr Mayan Mohamed as Managing Director for a term of three years w.e.f 11.11.2014 and fix his remuneration as detailed above subject to the approval of Members at the Annual General Meeting.

None of the directors other than Mr Mayan Mohamed is interested in the above resolution. Mr P K Mayan Mohamed is son of Late P K Mohamed, Former Managing Director. Mr Mayan Mohamed is interested to the extent of remuneration receivable by him as Managing Director. Mr Mayan Mohamed holds 72,590 equity shares of Rs 10/- each in the Company.

Item No 6

The existing Articles of Association are based on the Companies Act, 1956 and several regulations in the existing AOA contain references to specific sections of the Companies Act ,1956 and some regulations in the existing AOA are no longer in conformity with the Act.

With the coming into force of the Companies Act, 2013 several regulations of the existing AOA of the Company require alteration or deletions of several articles. Given this position, it is considered expedient to wholly replace the existing AOA by a new set of articles.

The new AOA to be substituted in place of the existing AOA are based on Table F of the Act which sets out the model articles of association for a Company limited by shares.

The proposed new draft AOA is being uploaded on the Company's website for perusal by the shareholders.

None of the Directors/Key Managerial Personnel of the Company/ their relatives are in any way concerned or interested financially or otherwise in the Special Resolution set out at Item No of the Notice.

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

Item No 7

The members in the AGM dated 23rd September 2000 had accorded their approval to the Board of Directors by way of a Special Resolution, for borrowing monies on behalf of the Company, from time to time, up to an aggregate amount (apart from acceptances of deposits of money from the public repayable on demand or otherwise, and withdrawable by cheque, draft, order or otherwise and / or temporary loans obtained in the ordinary course of business from bank, whether in India or outside India) not exceeding at any time the paid-up share capital and the free reserves of the Bank by Rs 80 Crores.

Companies Act, 2013 specifies that a fresh resolution by the shareholders is to be passed for allowing the company to borrow monies upto Rs 80 Crores in excess of paid up capital and free reserves.

None of the Directors, Key Managerial Personnel and their relatives are concerned / interested in the passing of this resolution

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTH COMING ANNUAL GENERAL MEETING , PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

| | |
|---|--|
| Name of the Director | Ranjith Kuruvila |
| Age | 55 |
| Date of Appointment on the Board | 25.01.2007 |
| Experience | Industrialist. More than 25 years of experience in handling and managing various manufacturing facilities and has proven track for developing markets for products. |
| Directorship held in other Companies | 1. Mardec R.K Latex Pvt. Ltd 2. R.K. Investments & Holdings (India) Pvt. Ltd. 3. Anamallais Resorts Pvt. Ltd. 4. Anamallais Timber Trust Pvt.Ltd. 5. TRC Construction India Ltd.6. Rejuvenated Rubber Compound Pvt Ltd |
| Membership/ Chairmanships of committees | Nil |
| Shares held in WIP | 124620 |

Annexure forming part of the Explanatory Statement: As required to be given pursuant to Part II section II (A) of the Schedule V of the Companies Act, 2013 for payment of remuneration to Whole Time Director.

I. General Information:

- (1) Nature of Industry: Wood based industry, Production of Plywood, Hardboard, Pre-Compressed Press Board and Furniture.
- (2) Date of commercial production: 15-1-1945
- (3) In the case of new companies, expected date of commencement of activities as per Project approved by financial institution appearing in the prospectus : Not Applicable
- (4) Financial performance based on given indicators:

| Particulars | For the year ended 31.03.2015 (Rs. In Lakhs) | For the year ended 31.03.2014 (Rs in Lakhs) |
|------------------|---|--|
| Profit after Tax | 328.82 | 181.80 |
| EPS (in Rupees) | 3.71 | 1.97 |
| Net Worth | 3979.45 | 3740.03 |

- (5) Export performance : Earnings in Foreign Exchange:

| Particulars | For the year ended 31.03.2015 (Rs. in Lakhs) | For the year ended 31.03.2014 (Rs. In Lakhs) |
|---|---|---|
| Export of goods calculated in FOB Basis | 1787.64 | 1400.40 |

- (6) Foreign investments or collaborators :

The Company has a Joint Venture Company in Malaysian viz ERA& WIP JV Timber with 65.87% (61.16%)Shareholding .

Non-resident shareholdings:

| Total shares held | Paid up capital | Number of Shareholders | Number of Non-Resident |
|-------------------|-----------------|------------------------|------------------------|
| Nil | Nil | Nil | Nil |

II Information about the Appointee.

1. Background details:

Mr Mayan Mohamed, a Mechanical Engineer by profession has been associated with the Company for the last 14 years and has contributed immensely for the business of the Company. He was appointed as Executive Director in the year 2001 and was re-designated as Joint Managing Director in the year 2012.

2. Past Remuneration:

1. Salary - Rs. 2,00,000/- per month in the salary range of Rs 2,00,000/- – Rs 3,50,000/- per month with increments as may be decided by the Board on the recommendation of the Remuneration Committee based on merit and taking into account the Company's performance.
2. Commission: One Percent of Net Profits as computed pursuant to Section 198 of the Companies Act, 2013 subject to the overall remuneration (including Salary & Commission), specified in Schedule V of the Act.
3. Company's Contribution to Provident Fund @ 12 % of Salary.
4. Gratuity as per the Rules applicable.
5. Leave on full pay as per Rules
6. Job Profile and his suitability:
Mr Mayan Mohamed as whole time Director is looking after production and Marketing of the products of the Company. His rich experience and contacts have been crucial factors for the Company's growth and good performance.

3. Remuneration proposed:

As detailed in the resolution.

4. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person.

Owing to the diversified nature of business of the Company, there is not much comparison available in the market in terms of companies having similar nature of business.

5. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any.

Mr. Mayan Mohamed is the son of Late P.K. Mohamed, Former Managing Director of the Company. He holds 72,590 equity share of Rs 10/- each in the Company.

III Other information:

1. Reasons for Loss and inadequate profits:

Due to steep increase in price of raw-materials, Electricity and Labour, the expected profit has come down.

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

Various value added products are being introduced and cost cutting measures are taken

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

10 – 15% increase in production and profitability.

8. Disclosures :

The Corporate governance Report which forms part of Annual Report, contains details of remuneration being paid to Mr. Mayan Mohamed, Managing Director

Cochin
08.08.2015

By the order of the Board
For Western India Plywoods Ltd.
R.Balakrishnan
G.M. Finance & Company Secretary

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

FORM NO MGT 11

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies
(Management and Administration) Rules, 2014

CIN : L20211KL1945PLC001708
Name of the company : THE WESTERN INDIA PLYWOODS LIMITED
Registered office : MILL ROAD, BALIAPATAM, KANNUR, KERALA
Name of the member(s) :
Registered address :
.....
.....
E-mail Id :
Folio No/Client Id : DP ID :

I/We, being the member (s) ofshares of the above named company, hereby appoint

1. Name
Address.....
Email-id Signature.....or failing him/her
2. Name
Address.....
Email-id Signature.....or failing him/her
3. Name
Address.....
Email-id Signature.....or failing him/her

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 70th Annual General Meeting of the company, to be held on Saturday, 26th September 2015 at 10 a.m. the Registered Office at Baliapatam, Kannur Kerala-670010 and at any adjournment thereof in respect of such resolutions as are indicated below:

**I wish my above Proxy to vote in the manner as indicated in the box below

| Resolution No | Resolutions | Optional ** | |
|-------------------|--|-------------|---------|
| | | For | Against |
| Ordinary Business | | | |
| 1 | Consider and Adopt the Audited Financial Statements, Audited Consolidated Financial Statements Report of the Board of Directors and Auditors | | |
| 2 | Declaration of Dividend | | |
| 3. | Re-appointment of Shri Ranjith Kuruvilla | | |
| 4 | Re-appointment of Statutory Auditor | | |
| Special Business | | | |
| 5 | Appointment of Shri P K Mayan Mohamed as Managing Director | | |
| 6 | Alteration of Articles of Association | | |
| 7 | Approval of the Borrowings Limits | | |

Signed this.....day of20.....

*Affix Re. 1
Revenue
stamp*

Signature of
First proxy holder

Signature of
Second proxy holder

Signature of
Third proxy holder

Signature of
Share holder

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting
2. A Proxy need not be a member of the Company.
3. ** This is only optional. Please put a 'x' in the appropriate column against the resolutions indicated in the Box. If you leave the ' For ' or ' Against ' Column Blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. In the case of Joint holders, the signature of any one holder will be sufficient, but name of all the joint holders should be stated.