



19.12.2017

Independent Auditor's Report

To
The Shareholders of **SOUNDARYAA IFPL INTERIORS LIMITED**
NO.G106, SIDCO INDUSTRIAL ESTATE,KAKALUR, TIRUVALLUR - 602 003.

We have audited the accompanying financial statements of **SOUNDARYAA IFPL INTERIORS LIMITED**, which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), Cash Flow Statement and the Statement of Changes In Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

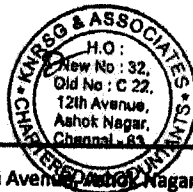
Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. 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 Ind AS financial statements are free from material misstatement.

Scope of an Audit

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

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



Head Office : New No. 32, Old No. C-22, Second Floor, 12th Avenue, Ashok Nagar, Chennai-83.
Chidambaram Branch : No. 86, South Car Street, Chidambaram - 1
Pondicherry Branch : No. 126, Muthumariamman Koil Street, Pondicherry - 1

✉ chn@pranamsconsulting.com
✉ cdm@pranamsconsulting.com
✉ pdy@pranamsconsulting.com



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Ind AS financial statements give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS:

1. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
2. in the case of the Profit and Loss Account (including other comprehensive income), of the profit for the year ended on that date;
3. in the case of the Cash flows and changes in equity for the year ended on that date;

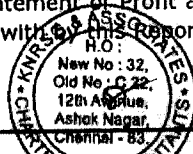
Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order 2016 ("the order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, We give in the annexure a statement on the matters specified in the paragraphs 3 and 4 of the order.

With regard to the Rule 11(d) of Companies (Audit and Auditors) Amendment Rules 2017 as amended and as per notification GSR 308(E) issued by Ministry of Corporate Affairs dated 30th March 2017, Based on the audit procedures and relying on the management representation, We report that the company did not have any holdings or dealings in Specified Bank Notes (SBN's) during the period from 08th November 2016 to 30th December 2016.

As required by section 143(3) of the Act, we report that:

- a) we have 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 appears from our examination of those books.
- c) the Balance Sheet, the Statement of Profit and Loss, Cash flow Statement and Statement of Changes in Equity dealt with in this report are in agreement with the books of account.





ANNEXURE REFERRED TO IN OUR REPORT TO THE MEMBERS OF SOUNDARYAA IFPL INTERIORS LIMITED FOR THE YEAR ENDED 31ST MARCH 2017. WE REPORT THAT:

i) PROPERTY PLANT AND EQUIPMENT:

(a) The Company has maintained proper records showing full particulars including quantitative details and situation of property plant and equipment.

(b) All the assets have been physically verified by the management during the year which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.

ii) INVENTORY:

(a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.

iii) The Company has not granted any loans to companies, firms and other parties covered in the Register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(III) (a) & (b) of the Companies Auditor's report order 2016 are not applicable to the company.

iv) According to the explanation given to us, the company has neither granted any loans nor made any investments nor given any guarantee or provided any security pertaining to Section 185 & 186 of the Act

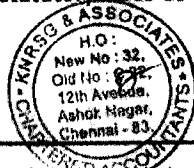
v) In our opinion and according to the explanation given to us, the company has not accepted any deposits from the public as provided in Section 73 to 76 or relevant provisions of the Act or rules framed there under.

vi) Maintenance of Cost Records have not been prescribed for the company

vii) STATUTORY DUES:

(a) According to the information and explanations furnished to us, during the year, undisputed statutory dues relating to income-tax, and other statutory dues applicable to it have been deposited with appropriate authorities and there have been delays, which are not material. There are no outstanding statutory dues at the last day of financial year for the period of more than six months from the date they became payable

(b) According to the information and explanations furnished to us, during the year, there is no dues relating to income-tax, and such other statutory dues as applicable, that are under dispute.





- d) In our opinion, the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement comply with the Accounting Standards referred to in section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules 2014;
- e) on the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164(2) of the Act.
- f) In our opinion considering nature of business, size of operation and organisational structure of the entity, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of Internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.
- g) 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 & to the best of our information and according to the explanations given to us,
- a) The company does not have any pending litigations as at the reporting date
- b) The company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses
- c) No amounts were required to be transferred to the Investor Education & Protection Fund, by the company

For **KNRSG & ASSOCIATES**
CHARTERED ACCOUNTANTS
FRN007236S

CA. N. Sabari Girisan



CA.N.SABARI GIRISAN
PARTNER
MEM NO:211930

DATE: 11/05/2017
PLACE: CHENNAI



viii) According to the information and explanations furnished to us, the company has not obtained any loans from Banks or Government or Financial Institutions or Debenture Holders. Accordingly, Clause viii of CARO is not applicable

ix) According to the information and explanations furnished to us, the company has neither raised any monies from IPO or further public offer nor obtained any term loans. Accordingly, Clause ix of CARO is not applicable.

x) In our opinion and according to the information and explanation given to us and during the course of our audit, we have not noticed any fraud on or by the company.

xi) According to the information and explanations given to us, the company has neither paid nor provided for any managerial remuneration, due to inadequate profits. Accordingly, Clause (xi) Of CARO is not applicable.

xii) The company is not a Nidhi Company. Accordingly, Clause (xii) Of CARO is not applicable.

xiii) According to the information and explanations given to us, all the transactions with related parties are in compliance with section 177 & 188 of the Act and the details have been disclosed in the Financial Statements accordingly as required by the applicable accounting standards

xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, Clause (xiv) Of CARO is not applicable.

xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him during the year. Accordingly, Clause (xv) Of CARO is not applicable.

xvi) In our Opinion and According to the information and explanations given to us, The company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934. Accordingly, Clause (xvi) Of CARO is not applicable.

For KNRSG & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN0072366

CA. N. Sabari Girisan

CA. N. SABARI GIRISAN
PARTNER

MEM NO:211930

DATE: 11/05/2017
PLACE: CHENNAI

SOUNDARYAA IFPL INTERIORS LIMITED

G-106, SIDCO INDUSTRIAL ESTATE, KAKKALUR, TIRUVALLUR - 602 003

BALANCE SHEET AS AT 31st MARCH 2017

Particulars	Notes	As at 31 Mar. 2017	As at 31 Mar. 2016 Rs.
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	1	3,24,393	11,43,054
(2) Current Assets			
(a) Inventories	2	5,06,34,925	1,92,36,987
(b) Financial Assets			
(i) Investments		-	-
(ii) Trade Receivables	3	1,70,56,832	2,76,78,077
(iii) Cash and cash equivalents	4	1,30,907	2,92,26,302
(c) Current Tax Assets (net)		-	-
(d) Other Current Assets	5	2,19,18,025	2,04,97,218
TOTAL ASSETS		9,00,65,083	9,77,81,639
II. EQUITY AND LIABILITIES			
Equity			
(a) Share Capital	6	25,00,000	25,00,000
(a) Other Equity			
(i) Reserves and Surplus	7	52,25,222	(2,34,58,928)
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities		-	-
(b) Provisions		-	-
(c) Deferred Tax Liabilities (net)		14,955	34,976
(d) Other Non Current Liabilities		-	-
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	8	-	70,00,000
(ii) Trade Payables	9	5,76,65,748	3,03,29,662
(b) Other Current Liabilities	10	1,76,28,582	7,86,12,437
(c) Provisions	11	70,30,576	27,63,492
(d) Current Tax Liabilities (net)		-	-
TOTAL EQUITY AND LIABILITIES		9,00,65,083	9,77,81,639

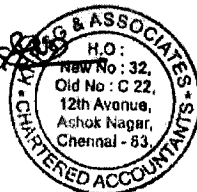
Summary of Significant Accounting Policies

19

for KNSRG & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN - 007236S

For SOUNDARYAA IFPL INTERIORS LTD

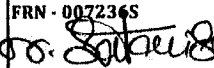

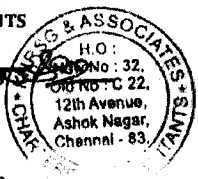

SABARI GIRISAN N
PARTNER



Membership No. : 211930
PLACE: CHENNAI
DATE : 11/05/2017

Norman R. S. Raghavan
R.S. RAGHAVAN
(DIRECTOR)
DIN # 00362555

A. Sathyamurthy
SATHYAMURTHY D
(DIRECTOR)
DIN # 00355020

SOUNDARYAA IFPL INTERIORS LIMITED				
G-106, SIDCO INDUSTRIAL ESTATE, KAKKALUR, TIRUVALLUR - 602 003				
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2017				
Sr. No	Particulars	Notes	For the year ended 31st Mar, 2017	For the year ended 31st Mar, 2016
			Rs.	Rs.
	CONTINUING OPERATIONS			
I	Revenue from operations	12	40,63,60,372	7,08,65,714
II	Other Income	13	42,405	26,38,787
III	Total Income (III)	(I + II)	40,64,02,777	7,35,04,501
IV	Expenses:			
	Cost of materials Consumed	14	16,77,82,769	5,04,11,685
	Purchases of Stock in Trade		-	-
	Change in Inventories of FG, SIT & WIP	14	(3,13,97,938)	(1,42,18,894)
	Direct Operating Expenses	15	6,60,46,203	1,30,57,599
	Employee Benefit Expenses	16	1,05,23,959	90,77,628
	Financial Costs	17	3,02,958	10,00,230
	Depreciation and Amortization Expenses	1	2,30,389	2,30,647
	Other Expenses	18	16,19,03,897	2,81,33,534
	Total Expenses (IV)		37,53,92,237	8,76,92,429
V	Profit/(Loss) before exceptional and extraordinary items and tax	(III - IV)	3,10,10,540	(1,41,87,928)
VI	Exceptional Items		-	-
VII	Profit/(Loss) before tax	(V - VI)	3,10,10,540	(1,41,87,928)
VIII	Tax expense:			
	(1) Current tax - MAT		62,38,284	-
	(2) MAT Credit		(38,91,873)	-
	(3) Deferred tax		(20,021)	8,454
IX	Profit/(Loss) from Continuing Operations		2,86,84,150	(1,41,96,381)
X	Profit/(Loss) from Discontinued Operations		-	-
XI	Tax Expense of Discontinued Operations		-	-
XII	Profit/(Loss) from Discontinued Operations (after tax)	(X - XI)	-	-
XIII	Profit/(Loss) for the period	(IX + XII)	2,86,84,150	(1,41,96,381)
XIV	Other Comprehensive Income			
	A. (i) Items that will not be reclassified into Profit or Loss		-	-
	(ii) Income Tax relating to items that will not be reclassified into Profit or Loss		-	-
	B. (i) Items that will be reclassified into Profit or Loss		-	-
	(ii) Income Tax relating to items that will be reclassified into Profit or Loss		-	-
XV	Total Comprehensive Income for the period	(XIII + XIV)	2,86,84,150	(1,41,96,381)
XVI	Earning per equity share of Rs.10 (for Continuing Operations)			
	(1) Basic		114.74	(56.79)
	(2) Diluted		114.74	(56.79)
XVII	Earning per equity share of Rs.10 (for Discontinued Operations)			
	(1) Basic		-	-
	(2) Diluted		-	-
XVIII	Earning per equity share of Rs.10 (for Discontinued & Continuing Operations)			
	(1) Basic		114.74	(56.79)
	(2) Diluted		114.74	(56.79)
Summary of Significant Accounting Policies		19		
for KNRS & ASSOCIATES CHARTERED ACCOUNTANTS FRN - 007236S  SABARI GIRISAN N PARTNER			For SOUNDARYAA IFPL INTERIORS LTD  R.S.RAGHAVAN (DIRECTOR) DIN # 00362555	
 H.O: No. 32, Old No. C. 22, 12th Avenue, Ashok Nagar, Chennai - 83.			 SATHYAMURTHY D (DIRECTOR) DIN # 00355020	
Membership No. : 211930 PLACE: CHENNAI DATE : 11/05/2017				

SOUNDARYAA IPPL INTERIORS LIMITED
G-106, SIDCO INDUSTRIAL ESTATE, KAKKALUR, THIRUVALLUR - 602 003
STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH 2017

A. Equity Share Capital

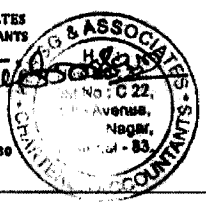
Particulars	Note	As at 31st Mar, 2017	As at 31st Mar, 2016	As at 01st Apr, 2015
Balance as at opening of reporting period	5	26,00,000	26,00,000	26,00,000
Changes in Equity Share Capital during the year	6	-	-	-
Balance as at end of reporting period	6	26,00,000	26,00,000	26,00,000

B. Other Equity


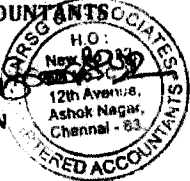


Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves & Surplus				Debt Instruments through OCI	Effective portion of cash flow hedge	Revaluation surplus	Exchange differences on translating financial statement of foreign operations	Other Items of OCI	Money received against share warrants	Total
			Capital Reserve	Securities Premium Reserve	Other Reserves	Retained Earnings							
													(In Rs.)
As at 01st April 2015	-	-	-	-	-	2,34,88,928	-	-	-	-	-	-	2,34,88,928
Changes in accounting policy or Prior period errors Restated balance as at 01st April 2015	-	-	-	-	-	2,34,88,928	-	-	-	-	-	-	2,34,88,928
Total Comprehensive Income for the year	-	-	-	-	-	2,86,84,150	-	-	-	-	-	-	2,86,84,150
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st March 2017	-	-	-	-	-	52,28,222	-	-	-	-	-	-	52,28,222

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves & Surplus				Debt Instruments through OCI	Effective portion of cash flow hedge	Revaluation surplus	Exchange differences on translating financial statement of foreign operations	Other Items of OCI	Money received against share warrants	Total
			Capital Reserve	Securities Premium Reserve	Other Reserves	Retained Earnings							
													(In Rs.)
As at 01st April 2016	-	-	-	-	-	92,82,847	-	-	-	-	-	-	92,82,847
Changes in accounting policy or Prior period errors Restated balance as at 01st April 2016	-	-	-	-	-	92,82,847	-	-	-	-	-	-	92,82,847
Total Comprehensive Income for the year	-	-	-	-	-	1,41,86,381	-	-	-	-	-	-	1,41,86,381
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st March 2018	-	-	-	-	-	2,34,88,928	-	-	-	-	-	-	2,34,88,928

for KNRS& ASSOCIATES
CHARTERED ACCOUNTANTS
FRN - 0072865
SABARI GIRISAN N
PARTNER
Membership No. : 211930
PLACE: CHENNAI
DATE: 11/05/2017



For SOUNDARYAA IPPL INTERIORS LTD
R.S. RAGHAVAN (DIRECTOR) DIN # 00362555
SATHYANRTHY D (DIRECTOR) DIN # 00355620

SOUNDARYAA IFPL INTERIORS LIMITED		
G-106, SIDCO INDUSTRIAL ESTATE, KAKKALUR, TIRUVALLUR - 602 003		
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2017		
PARTICULARS	YEAR ENDED 31-03-2017 Rs.	YEAR ENDED 31-03-2016 Rs.
Cash Flows from Operating Activities		
Net Profit before taxation & Extraordinary Items	3,10,10,540	(1,41,87,928)
Adjustments for		
Depreciation/Amortisation	2,30,389	2,30,647
Cash inflow from Interest	(42,405)	(26,38,787)
Interest Expenses	3,02,958	10,00,230
Operating Profit before working capital changes	3,15,01,482	(1,55,95,838)
Decrease/(Increase) in Sundry Debtors	1,06,21,245	(2,76,78,077)
Decrease/(Increase) in Inventories	(3,13,97,938)	(1,42,18,894)
Decrease/(Increase) in Other Current Assets	(14,20,807)	(1,34,08,511)
Increase / (Decrease) in Liabilities	(2,93,80,685)	2,30,91,744
Cash Generated from Operations	2,00,76,703	4,78,09,576
Cash Flow from Taxes on Income	(23,46,411)	-
NET CASH FROM OPERATING ACTIVITIES	2,24,23,114	4,78,09,576
Cash Flows from Investing Activities		
Purchase of fixed assets	-	(5,200)
Sale of Fixed Assets	5,88,273	-
Interest Received	42,405	26,38,787
NET CASH FROM INVESTING ACTIVITIES	6,30,678	26,33,587
Cash Flows from Financing Activities		
Share Application/Share Capital received	-	-
Cash outflow from Interest	(3,02,958)	(10,00,230)
Short Term Borrowings	(70,00,000)	-
NET CASH FROM FINANCING ACTIVITIES	(73,02,958)	(10,00,230)
Net increase in Cash and Cash Equivalents	(2,90,95,394)	(4,61,76,219)
Opening Balance of Cash and Cash Equivalents	2,92,26,302	7,54,02,521
Closing Balance of Cash and Cash Equivalents	1,30,907	2,92,26,302
This is Cash Flow Statement referred to in our Report of even date.		
for KNRSG & ASSOCIATES CHARTERED ACCOUNTANTS FRN - 007236S  SABARI GIRISAN N PARTNER 	For SOUNDARYAA IFPL INTERIORS LTD  R.S. RAGHAVAN (DIRECTOR) DIN # 00362555	 SATHYAMURTHY D (DIRECTOR) DIN # 00355020
Membership No. : 211930 PLACE: CHENNAI DATE : 11/05/2017		

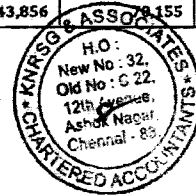
SOUNDARYAA IFPL INTERIORS LIMITED

Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2017

(Reconciliation statement as required by Ind AS 16 as at 31st March 2017)

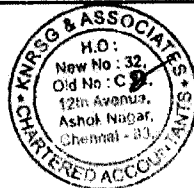
Notes 1: Fixed Asset

										Rs.		
Sr. No	Particulars	Gross Block				Depreciaton				Net Block		
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2017	WDV as on 31.03.2016	WDV as on 01.04.2015
I	Tangible Assets											
	1 Plant and Equipment	68,005	-	-	68,005	5,381	4,307	-	9,688	58,317	62,624	66,931
	2 Furnitures & Fixtures	752,800	-	752,800	-	93,265	71,263	164,528	-	-	659,535	731,051
	3 Computer & Accessories - End user	575,091	-	-	575,091	190,023	145,707	-	335,730	239,361	385,068	525,580
	4 Office Equipment	47,960	-	-	47,960	12,133	9,112	-	21,245	26,715	35,827	44,939
	SUB TOTAL (A)	1,443,856	-	752,800	691,056	300,802	230,389	164,528	366,663	324,393	1,143,054	1,368,501
II	Intangible Assets											
	SUB TOTAL (B)	-	-	-	-	-	-	-	-	-	-	-
	Total (Current Year)	1,443,856	-	752,800	691,056	300,802	230,389	164,528	366,663	324,393	1,143,054	1,368,501
	(Previous Year)	1,438,656	5,200	-	1,443,856	300,155	230,647	-	300,802	1,143,054	1,368,501	-



SOUNDARYAA IFPL INTERIORS LIMITED
Notes to Financial Statements for the year ended 31st March, 2017

Notes 2: Inventories		Rs.		Rs.
Sr. No	Particulars	As at Mar, 2017	31st	As at 31st Mar, 2016
1	Raw Material	1,370,519		7,350,554
2	Work-in-Progress	49,264,406		10,647,742
3	Goods in Transit	-		1,238,691
	Total	50,634,925		19,236,987
Notes 3: Trade Receivables		Rs.		Rs.
Sr. No	Particulars	As at Mar, 2017	31st	As at 31st Mar, 2016
1	Outstanding for more than six months			
	a) Secured, Considered Good :	-		-
	b) Unsecured, Considered Good :	-		-
	c) Doubtful	-		-
2	Others			
	a) Secured, Considered Good :	-		-
	b) Unsecured, Considered Good :	17,056,833		27,678,077
	c) Doubtful	-		-
	Total	17,056,832		27,678,077
Notes 4: Cash & Cash Equivalent		Rs.		Rs.
Sr. No	Particulars	As at Mar, 2017	31st	As at 31st Mar, 2016
1	Cash-On-Hand			
	Cash Balance		9,108	1,747
2	Bank Balances			
	Axis Bank - Chennai		121,799	1,724,555
3	Fixed Deposits			27,500,000
	Total		130,907	29,226,302
Notes 5: Other Current Assets		Rs.		Rs.
Sr. No	Particulars	As at Mar, 2017	31st	As at 31st Mar, 2016
1	Capital Advances			
2	Advances other than Capital Advances			
	a) Security Deposits	402,550		1,219,075
	b) Advance to related parties	-		-
	c) Other Advances - Advance to vendor	2,599,615		11,902,427
3	Others			
	a) Tax Deducted at Source	9,770,450		1,083,673
	b) Service Tax Input Credit	5,245,538		4,278,059
	c) VAT Input Credit	-		-
	d) Interest Receivable on FD's	-		425,558
	e) Prepaid Expenses	-		1,588,424
	f) MAT Credit	3,091,873		-
	Total	21,918,025		20,497,216



SOUNDARYAA IFPL INTERIORS LIMITED

Notes to Financial Statements for the year ended 31st March, 2017

Notes 6: Share Capital		Rs.	
Sr. No	Particulars	As at Mar, 2017	As at 31st Mar, 2016
1	AUTHORIZED CAPITAL 2,50,000 Equity Shares of Rs. 10/- each.	2,500,000	2,500,000
2	ISSUED, SUBSCRIBED & FULLY PAID UP CAPITAL 2,50,000 Equity Shares of Rs. 10/- each.	2,500,000	2,500,000
	Total	2,500,000	2,500,000

a. Shares held by holding/ultimate holding company and/or their subsidiaries/associates and shareholders holding more than 5% shares in the Company

Sr. No	Name of Shareholder	As at Mar, 2017	As at 31st Mar, 2016
1	Indian Furniture Products Ltd., Number of shares % of Shareholding	125,001 50.01%	125,001 50.01%
2	Soundarya Decorators Pvt Ltd., Number of shares % of Shareholding	124,999 49.99%	124,999 49.99%

b. Reconciliation of Shares Outstanding

Sr. No	Particulars	As at Mar, 2017	As at 31st Mar, 2016
	Shares Outstanding at beginning of the year	250,000	250,000
	Add: Shares Issued during the year	-	-
	Shares Outstanding at end of the year	250,000	250,000

Notes 7: Other Equity

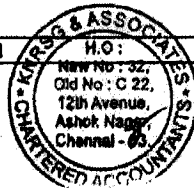
Notes 7: Other Equity		Rs.	
Sr. No	Particulars	As at Mar, 2017	As at 31st Mar, 2016
	Retained Earnings		
	Opening Balance	(23,458,928)	(9,262,547)
	Add: Profit/(Loss) for the period	28,684,150	(14,196,381)
	Closing Balance	5,225,222	(23,458,928)
	Total	5,225,222	(23,458,928)

Notes 8: Borrowings

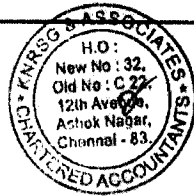
Notes 8: Borrowings		Rs.	
Sr. No	Particulars	As at Mar, 2017	As at 31st Mar, 2016
1	Loans repayable on demand	-	-
2	Loans from related parties a) Indian Furniture Products Limited	-	7,000,000
3	Deposits	-	-
4	Others	-	-
	Total	-	7,000,000

Notes 9: Trades Payables

Notes 9: Trades Payables		Rs.	
Sr. No	Particulars	As at Mar, 2017	As at 31st Mar, 2016
1	Sundry Creditors for Material/Supplies	16,038,361	9,206,022
2	Sundry Creditors for Others	41,627,387	21,123,641
	Total	57,665,748	30,329,662



SOUNDARYAA IFPL INTERIORS LIMITED			
<i>Notes to Financial Statements for the year ended 31st March, 2017</i>			
Notes 10: Other Current Liabilities			
		Rs.	
Sr. No	Particulars	As at 31st Mar, 2017	As at 31st Mar, 2016
1	Revenue received in advance	-	-
2	Other advances	-	-
3	Others		
	a) Income Tax Payable	6,238,284	-
	b) VAT / CST Payable	309,469	1,849,151
	c) Service Tax Payable	2,623	20,852
	d) TDS Payable	3,533,158	2,067,978
	e) Mobilisation Advance From Customers	7,545,048	74,674,456
	Total	17,628,582	78,612,437
Notes 11: Provisions			
		Rs.	
Sr. No	Particulars	As at 31st Mar, 2017	As at 31st Mar, 2016
1	Provision For Employees Benefit	-	-
2	Others		
	a) Expenses payable	6,730,577	2,613,492
	b) Audit Fees Payable	300,000	150,000
	Total	7,030,577	2,763,492



SOUNDARYAA IFPL INTERIORS LIMITED

Notes to Financial Statements for the year ended 31st March, 2017

Notes 12: Revenue from Operations

Sr. No	Particulars	Rs.	
		As at 31st Mar, 2017	As at 31st Mar, 2016
1	Income from Projects (Domestic)		
	- Sale of Products (Site Made Items)	344,724,589	59,047,430
	- Sale of Services (Installation revenues)	61,635,783	11,818,284
	- Other Operating Revenues	-	-
	Total	406,360,372	70,865,714

Notes 13: Other Income

Sr. No	Particulars	Rs.	
		As at 31st Mar, 2017	As at 31st Mar, 2016
1	Interest on Fixed Deposits	-	2,638,787
2	Interest received from Income Tax	42,405	-
	Total	42,405	2,638,787

Notes 14: Cost of Material Consumed

Sr. No	Particulars	Rs.	
		As at 31st Mar, 2017	As at 31st Mar, 2016
1	Opening Stock	8,589,245	916,664
2	Opening WIP	10,647,742	4,101,429
3	Purchase of Raw Materials	167,782,769	50,411,685
4	Closing Stock	(1,370,519)	(8,589,245)
5	Closing WIP	(49,264,406)	(10,647,742)
	Total	136,384,831	36,192,791

Notes 15: Direct Operating Cost

Sr. No	Particulars	Rs.	
		As at 31st Mar, 2017	As at 31st Mar, 2016
	DIRECT EXPENSES		
1	Sub Contract Labour Charges	53,064,442	10,251,519
2	Power & Fuel	228,000	180,339
3	Discounts Paid	657,221	-
4	Freight Charges	373,145	102,160
5	Site Expenses	11,723,395	2,523,581
	Total	66,046,203	13,057,599

Notes 16: Employment Benefit Expenses

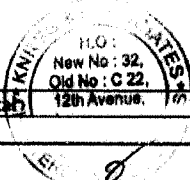
Sr. No	Particulars	Rs.	
		As at 31st Mar, 2017	As at 31st Mar, 2016
1	Salary & Wages	8,669,939	7,623,488
2	Provident Fund	389,751	317,457
3	ESI	28,364	4,953
4	Staff and Labour Welfare expenses	1,435,905	1,131,730
	Total	10,523,959	9,077,628

Notes 17: Financial Cost

Sr. No	Particulars	Rs.	
		As at 31st Mar, 2017	As at 31st Mar, 2016
1	Interest		
	- ICD	302,958	1,000,230
	Total	302,958	1,000,230

Notes 18: Other Administrative Expenses

Sr. No	Particulars	Rs.	
		As at 31st Mar, 2017	As at 31st Mar, 2016
1	Bank Charges & Guarantee Commission	4,125,805	4,323,894
2	Audit Fees	300,000	150,000
3	Administration Expenses	265,460	255,975
4	Management Fee	118,897,858	20,000,000
5	Service tax written off on Management Fee	17,456,315	-
6	Insurance	852,064	1,217,027
7	Professional Charges	379,025	109,763
8	Interest - Service Tax	62,245	6,176
9	Swacch Bharat Cess	941,920	154,649
10	Guest house Rent & Maintenance	441,969	775,005
11	Printing & Stationery	302,110	114,035
12	Rates & Taxes	31,000	7,893
13	Repairs & Maintenance	669,317	342,722
14	Reimbursement of OH	16,272,014	-
15	Travelling & Conveyance	760,075	571,657
16	Miscellaneous Expenses	146,720	104,738
	Total	161,903,897	28,133,534



SOUNDARYAA IFPL INTERIORS LIMITED

Notes to Financial Statements for the Year ended 31st March 2017

1. CORPORATE INFORMATION

Soundaryaa IFPL Interiors Ltd., is a subsidiary of Indian Furniture Products Ltd., The Company is engaged in executing commercial interior works .

The company is formed as Special purpose entity in the year 2014 between Soundarya Decorators Private Limited and Indian Furniture Products Limited for undertaking commercial interior contracts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation & First time adoption of IND AS

As per the MCA notification dated 11th February 2015, Net worth of M/S Zuari Global Limited (Ultimate holding company of parent M/S Indian Furniture Products Limited) has exceeded Rs 500 Crores (Rs 620.38 Crores as at 31.03.2014). Thus, reporting under IND AS become applicable to all the subsidiaries.

The financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules 2015 as amended with reference to notification dated 30th March 2016 vide Companies (Indian Accounting Standards) (Amendment) Rules 2016.

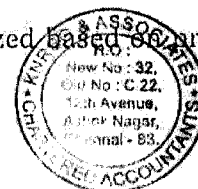
For all the periods up to and including the year ended 31 March 2016, the company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 4A of Companies (Account) Second Amendment Rules, 2015

The Financial statements for the year ended 31 March 2017 are the first the company has prepared in accordance with IND-AS and as per schedule III as notified by Ministry of Corporate Affairs on 06th April 2016 along with the comparative period data as at and for the period ended 31st March 2016 as described in the significant accounting policies. In preparing the financial statements, the opening balance sheet was prepared as at 01st April 2015, the company's date of transition to IND AS.

The company has not made any adjustments in restating its Indian GAAP financial statements, including balance sheet as at 01st April 2015 and financial statements as at and for the year ended 31st March 2016.

However, the company has used the following exemption as per IND AS 101

Carrying Value of Property Plant & Equipment (PPE) is recognized based on previous GAAP financials as deemed cost at transition date.



Current v/s Non-Current Classification

The company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is,

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when,

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

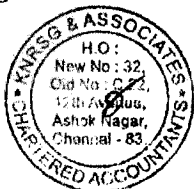
Deferred tax assets & liabilities are classified as non-current assets and non-current liabilities respectively.

Operating Cycle

The operating cycle of the company varies due to different milestones of the project(s) undertaken. Hence as provided in Schedule III to Companies Act 2013 (as amended) and as per Ind AS 1, operating cycle has been assumed as 12 months.

b. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles and Indian Accounting Standards (Ind AS), which requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities at the date of the financial statements and reported amounts of income and expenses during the reporting period. Examples of such estimates include computation of percentage of completion on contracts, provision for labour bills not received from contractors and sub-contractors, provision for doubtful debts, income taxes, and the useful lives of fixed tangible assets and intangible assets



NSA

Accounting estimates could change from period to period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

c. Financial Instruments

Financial Assets

All financial assets are recognized initially at fair value plus, in case of financial assets not measured at fair value through profit or loss, transaction costs that are attributable to acquisition of such financial asset.

The company has recognized following Financial Assets during the year, which are non-derivative in nature

- a) Trade Receivables
- b) Cash & Cash Equivalents

Financial Liabilities

All financial liabilities are recognized initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The company has recognized following Financial Liabilities during the year which are non-derivative in nature

- a) Trade Payables
- b) Borrowings

The company based on the risk analysis performed, report that the credit risk to be minimal or negligible and have not recognized any expected credit losses as per IND AS 107 and IND AS 109

The Financial Assets and Financial Liabilities are presented at amortized cost as on the reporting date.

d. Operating Segments

The company does not have different reportable segments as per IND AS 108. Thus, the accounting treatments and disclosures prescribed under the standard are not applicable.



Major Customers

Particulars	No of Customers	Revenue	% of Revenue
Contribution to Revenue >10%	1	3835,83,019	94.30%
Others	6	227,77,353	5.70%

e. Fair Value Measurement

As per IND AS 113, The company does not measure any of the asset or liability (financial or non-financial) on fair value basis other than those disclosed under respective standards if any.

f. Management of Capital & Dividend Disclosure

As envisaged by IND AS 1, Capital includes all equity share capital and reserves attributable to the equity holders. The primary objective of the company's capital management is to maximize shareholder value and manages the additional funding requirements through internal accruals.

The entity is not subject to any externally imposed capital requirements

The company has not proposed or declared any dividend during the year.

g. Inventories

Items of raw materials are valued on the principle laid down by IND AS 2 on 'Valuation of Inventories' at Cost or Net Realizable Value, whichever is lower. The cost is arrived on a weighted average basis.

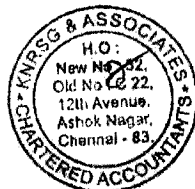
Particulars	As at 31 st Mar'17	As at 31 st Mar'16
Carrying Amount of Inventory - Raw Materials	13,70,519	73,50,554
Material in Transit	-	12,38,691
<i>Carrying Amount of Inventory - Raw Materials</i>	13,70,519	85,89,245

Work in Progress for construction contracts has been valued as per IND AS 11.

Cost Formula

Cost of materials comprises cost of all purchase costs, costs of transport and handling costs.

NAI



h. Statement of Cash Flows

The company has prepared a detailed statement of cash flows, which is provided as annexure, as envisaged by IND AS 7 outlining the Cash flows from operating activities (Indirect method), Cash flows from investing activities and Cash flows from financing activities. There are no cash and cash equivalents balances held, that are not available for use by the company

Cash flow from Interest and Dividend(Net) – Rs 42,405/- (PY Rs 26,38,787)
Cash flow from Income Taxes (net) – (Rs 23,46,411/-) (PY Rs Nil)

i. Accounting Policies, Changes in Accounting Estimates and Errors

There are no significant changes in accounting policies and accounting estimates. The company has neither identified nor adjusted the carrying amounts of any asset or liability due to errors occurred in prior accounting periods as envisaged in IND AS 8.

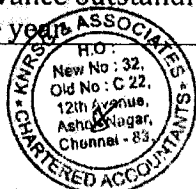
j. Construction Contracts

The company generates its revenue from execution of Construction Contracts

As envisaged by IND AS 11,

- Method used to determine Contract revenue :
Percentage Completion Method
- Method used to determine Stage of completion :
Cost of work certified to Total estimated contract costs

Particulars	For the year ended 31 March 2017 (Rs)	For the year ended 31 March 2016 (Rs)
Contract revenue recognized during the year	40,63,60,372	7,08,65,714
Aggregate amount of Contract revenue recognized	47,72,26,086	7,08,65,714
Aggregate amount of Costs incurred till date	47,23,20,690	9,69,28,453
Aggregate of Profits/(Losses) recognized till date	52,25,222	(2,34,58,927)
Mobilization advances received during the year for contracts in progress	Nil	Nil
Mobilization advance outstanding at the end of the year	75,45,048	7,46,74,456



NSA

Particulars	For the year ended 31 March 2017 (Rs)	For the year ended 31 March 2016 (Rs)
Sundry advance received from customers remaining unadjusted	Nil	Nil
Retention money for contracts in progress	Nil	Nil
Retention money for completed contracts yet to be released by customers	Nil	Nil
Receivables from customers	1,70,56,833	2,76,78,077

Since the Company prepares financial statements based on mercantile system of accounting, retention money to the extent that is certified by the customer is accounted as Income, though the monies will be released by the customer only on completion of the contract.

Contract Costs (Cost of Work Certified) include cost directly relating to the contract like site labour costs including site supervision, cost of materials used in construction, depreciation of plant & machinery and other assets used in construction, hire charges of plant & equipments, design and technical assistance, cost of rectification and guarantee work including warranty costs, insurance costs, construction overheads & administration and selling costs directly attributable/allocable to the contract

Construction Work In Progress

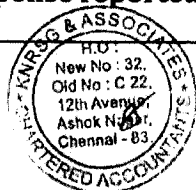
Work-in-progress for the year arrived on basis of running bill 13 certified by the client. It includes the balance amount of the cost of material delivered at the site, yet to be billed to the customer as per contractual terms.

k. Income Taxes

The major components of income tax expense for the years ended 31st March 2017 and 31st March 2016 are :

Statement of Profit & Loss:

Particulars	As at 31.03.2017	As at 31.03.2016
<i>Current Income Tax</i>		
Current Income Tax Charge	62,38,284	-
<i>Deferred Tax</i>		
Relating to origination and reversal of temporary differences	(20,021)	8,454
<i>MAT Credit</i>		
MAT Credit accruing during the year	(38,91,873)	-
Income Tax expense reported in the statement of profit & loss	23,26,390	8,454



M/A

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March 2017 & 31st March 2016

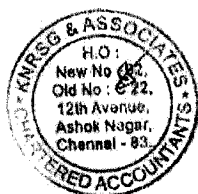
Particulars	As at 31.03.2017	As at 31.03.2016
Accounting profit before tax from continuing operations	310,10,540	(141,87,928)
Profit/(loss) before tax from discontinued operation	-	-
Accounting profit before income tax	310,10,540	(141,87,928)
Depreciation as per Companies Act 2013	2,30,389	2,30,647
Depreciation as per Income Tax Act, 1961	(1,10,223)	(2,58,006)
Brought forward losses	(235,37,142)	-
Net Accounting income chargeable to tax	75,93,564	(142,15,287)
Income Tax at India's Statutory income tax rate of 30% plus cess of 3% on income tax	23,46,411	-
Book Profit for MAT u/s 115JB of Income Tax Act, 1961	310,10,540	(141,87,928)
Lower of unabsorbed depreciation or brought forward business loss	(4,13,993)	-
Net Book Profit for MAT u/s 115JB of Income Tax Act, 1961	305,96,547	(141,87,928)
MAT at 18.5% plus surcharge of 7% & cess of 3% on MAT	62,38,284	-
Income Tax expense reported in the statement of profit & loss (Higher of tax as per normal rates or MAT)	62,38,284	-
MAT Credit accruing during the year (Difference of Tax as per normal rates & MAT)	(38,91,873)	-

Deferred Taxes

Deferred tax asset and/or Deferred tax liability is provided for in respect of deductible and/or taxable temporary differences that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets arising from carry-forward of unused tax losses are recognized only to the extent of availability (virtual certainty) of sufficient taxable temporary differences in future for set off by the company.

19/11



Particulars	As at	As at
	31.03.2017	31.03.2016
Opening balance of Deferred Tax Assets/(Liabilities)	(34,976)	(26,522)
Arising/(Reversal) during the year due to depreciation on Property Plant & Equipment	20,021	(8,454)
Closing balance of Deferred Tax Assets/(Liabilities)	(14,955)	(34,976)

There are no current and deferred tax that are charged directly to equity. As there are no components in the Other Comprehensive Income segment of statement of profit and loss, amount of income tax arising on the same is nil.

There are no changes in the applicable tax rate compared to previous year. The company does not have any deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax asset is recognized in the balance sheet.

As the company does not hold any investment in subsidiaries, branches and associates, not entered into any joint arrangements, temporary differences associated with the same is nil. The company does not have any discontinued operations. Thus, tax impact on the same is nil.

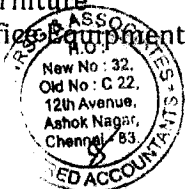
1. Property Plant and Equipment

Property plant and equipments are carried at transaction cost less accumulated depreciation. Such costs include cost of acquisition or construction/erection including taxes, duties, freight and other incidental expenses related to acquisition and installation. Interest on borrowing costs directly attributable to Fixed Assets and incurred during construction period, is capitalized.

Property plant and equipments are eliminated from the financial statements either on disposal or when no further benefit is expected from its use and disposal.

Depreciation on Property plant and equipments is provided on the Straight Line Method over the estimated useful lives of assets estimated by the Management commencing from the date the asset is available to the Company as described under Part C of Schedule II of The Companies Act, 2013. Depreciation for assets purchased/sold during the year is proportionately charged. The Management estimates the useful lives of the Property plant and equipments as follows:

Computer Servers	6 years
Plant & Machinery	15 years
Computers	3 years
Furniture	10 years
Office Equipments	5 years



19/1

Reconciliation of carrying amount at the beginning and end of the period is shown as separate schedule. In addition to the same, the company report that,

The company has not classified any assets as held for sale or included in disposal group classified as held for sale as per IND AS 105.

There are no acquisitions through business combinations.

The company has not done any revaluations and not recognized any impairment losses as per IND AS 36

The company does not have any foreign operations. Thus, the accounting treatment and disclosures regarding net exchange differences arising in translation offunctional currency into presentation currency of the reporting entity is not applicable.

The company has not pledged any security as liabilities. Thus, there are no restrictions on its title. Also, the company has neither constructed any nor has contractual commitments regarding acquisition of property, plant & equipment during the year. There is no impairment or loss of property plant & equipment during the year. Thus, amount of compensation received from third parties for the same is not applicable.

m. Leases

As per IND AS 17, The Company does not have any arrangements in the nature of Finance Lease.

The company has taken premises in its site of operations as Operating Lease for the purpose of accommodation of labour force.

Lease payments are made on straight line basis according to the agreement & total lease payments during the year including amenities is Rs 9,18,650/- (PY Rs 1,60,000/-).

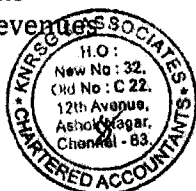
All the lease agreements are for a period of 11 months and are renewed based on future requirements as decided by the company. Thus all the future minimum lease payments are due within a year.

Particulars	Amount Rs.
Not later than one year	72,600
Later than one year but not later than five years	NIL
Later than five years	NIL

n. Revenue

Revenue earned by the Company fall into the following categories as per IND AS 18:

- a) Site Made Items
- b) Installation Revenues



During the course of the year 2016-17, the Company has recognized revenue as per IND AS 11 "Construction Contracts", as per the terms of the contract based on the certificates of completion received from client.

Recognition of Costs (Other than Construction/Contract Costs as per Ind AS 11)

Costs relating to the contract are expensed off in the books depending on the pro rata extent to which revenues have been recognized in the books.

As the company is currently executing only a single contract with M/S Shell India Markets Private Limited & as subcontracted by M/S Larsen & Toubro Limited, the entire expenses incurred are specific to this contract.

Costs incurred for future contract activities, have been considered as Work in Progress.

o. Employee Benefits

The company being special purpose entity, does not have any employees directly under the payroll. However, they reimburses the employee benefits as incurred by the strategic partner M/S Soundarya Decorators Pvt Ltd and holding company M/S Indian Furniture Products Limited.

As envisaged in IND AS 19, The company incurs Short term employee benefits which are payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as Salaries, Wages, Performance Incentive, Paid Annual Leave, Bonus, Medical Allowance, Contributions to Provident Fund etc., are recognized as actual amounts due in the period in which the employee renders the related service.

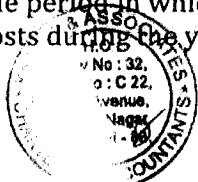
Employee benefits as disclosed in the financial statements as per IND AS 1 - Rs 1,05,23,959/- (PY Rs 90,77,628/-) which includes reimbursement of salary costs to strategic partner M/S Soundarya Decorators Pvt Ltd Rs 1,01,46,708/- (PY Rs 86,88,167/-) and holding company M/S Indian Furniture Products Ltd Rs 2,33,636/- (PY Rs 1,97,757).

p. Effects of Changes in Foreign Exchange Rates

The company does not have any foreign exchange transactions during the year as per IND AS 21.

q. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets, are capitalized for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognized as an expense in the period in which these are incurred. The company has not capitalized any borrowing costs during the year as per IND AS 23.



r. Related Party Disclosures

a. By Ownership

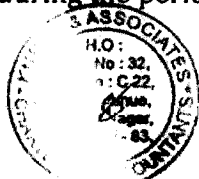
Soundarya Decorators Private Limited
Indian Furniture Products Limited

b. Summary of transactions with related parties (In Rs)

Related Party	Nature of transaction	2016-17	2015-16
Enterprises in which key management personnel have significant influence	Soundarya Decorators Ltd		
	a) Purchase of Goods & Fixed Assets	(3,26,05,763)	(54,55,638)
	b) Expenses Incurred	(2,50,17,124)	(1,32,84,695)
	c) Expenses Reimbursed	11,93,46,663	2,16,67,855
	d) Share Capital	(12,49,990)	(12,49,990)
	e) Management Fees	(8,43,55,916)	
	f) Provision for doubtful debts	-	-
	g) Expense recognized on bad or doubtful debts	-	-
	Indian Furniture Products Ltd		
	a) Expenses Incurred	(6,68,52,038)	(31,17,796)
	b) Expenses Reimbursed	10,68,38,910	29,72,364
	c) Share Capital	(12,50,010)	(12,50,010)
	d) Management Fees	(3,45,41,942)	(2,00,00,000)
	e) Inter Corporate Loan	-	(70,00,000)
f) Interest on ICL	(3,02,958)	(10,00,230)	
h) Provision for doubtful debts	-	-	
i) Expense recognized on bad or doubtful debts	-	-	

s. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



NA

Particulars	2016-17	2015-16
Weighted Number of Equity shares outstanding during the year	2,50,000	2,50,000
Net Profit available for equity Shareholders	2,86,84,150	(1,41,96,381)
Net Profit excluding Extraordinary Items	2,86,84,150	(1,41,96,381)
Nominal Value of equity share (Rs)	10	10
Basic & Diluted Earnings per share	114.74	(56.79)
Basic & Diluted Earnings per share excluding Extraordinary Items	114.74	(56.79)

t. Impairment of Assets

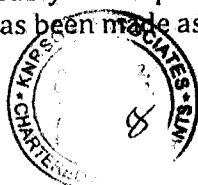
The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and is accordingly reversed in the statement of profit and loss.

The company has not impaired any of its assets during the year. Thus, the accounting treatments and disclosures prescribed under IND AS 36 is not applicable

u. Provisions, Contingent Liabilities and Contingent Assets

The company as envisaged in IND AS 37, depending upon the facts of each case and after due evaluation of legal aspects, claims against the Company not acknowledged as debts are treated as contingent liabilities. In respect of statutory dues disputed and contested by the Company, contingent liabilities are provided for and disclosed as per original demand without taking into account any interest or penalty that may accrue thereafter.

The Company makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of obligation can be made. Possible future or present obligations that may but will probably not require outflow of resources or where the same cannot be reliably estimated, has been made as a contingent liability in the Financial Statements.



12/11

Particulars	2016-17	2015-16
Capital commitments (net of advances) not provided for	Nil	Nil
Bank guarantees	8,19,64,170	17,00,00,000
Unexpired Letters of Credit	Nil	Nil

v. CENVAT credit

CENVAT credit under the Central Excise Act, 1944 and Customs Act, 1962 is accounted on accrual basis on purchase of eligible inputs and capital goods. The balance of CENVAT credit is reviewed at the end of each year and amount estimated to be ineligible for set off, is written off to the Profit & Loss account.

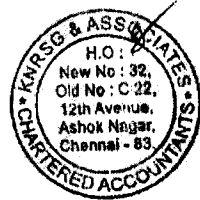
Amount of Service Tax Input Credit as at 31st March 2017 is Rs 50,43,371/-
(PY Rs 42,78,058/-)

Amount of Krishi Kalyan Cess Input Credit as at 31st March 2017 is Rs 1,80,120/-

Amount of VAT Input Credit as at 31st March 2017 is Rs NIL (PY Rs NIL)

The above are in conformity with the returns filed with the statutory authorities.

MA



Notes to the Financial Statements

a) Operating Income & Profit

Operating Income for the year: Rs.40,63,60,372/- (PY: Rs. 7,08,65,714/-).

Operating Income for the year includes Sales derived from proportionate invoicing of site made materials of Rs 34,47,24,589/- (PY: Rs 5,90,47,430/-) and Installation of Rs 6,16,35,783/- (PY: Rs 1,18,18,284/-) based on the contractual terms of the project.

The Net profit arising out of operations are Rs.2,86,84,150/- [PY: (Rs. 1,41,96,381/-)]

b) Short Term Borrowings

Inter Corporate Loan obtained from M/S Indian Furniture Products Limited for Rs 70,00,000/- during Prior Previous Financial Year 2014-15 has been repaid during the year.

c) Auditors Remuneration :

Particulars	In Rs (Excl Service Tax)	
	2016-17	2015-16
Statutory audit fees	2,50,000	1,00,000
Tax Audit	50,000	50,000
Out of Pocket Expenses	Nil	Nil
Total	3,00,000	1,50,000

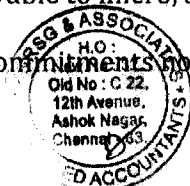
d) Remuneration to Directors – Rs Nil (PY Rs NIL).

However the holding company M/S Indian Furniture Products Ltd & strategic partner M/S Soundarya Decorators Pvt Ltd, based on their agreement, claim a reimbursement viz., Management Fees for the services rendered.

Management fees for the year ended 31st March 2017 is Rs 11,88,97,858/- (PY Rs 2,00,00,000/-) with Rs 8,43,55,916 (PY Rs Nil) for M/S M/S Soundarya Decorators Pvt Ltd and Rs 3,45,41,942 (PY Rs 2,00,00,000/-) for M/S Indian Furniture Products Ltd.

e) While there could be micro, small & medium enterprises amongst the list of suppliers, the company has not identified this particular list; hence this information on dues to Small scale undertakings / MSMEs has not been disclosed as per MSMED Act, 2006. The Company is in the process of ascertaining balances if any payable to micro, small and medium enterprises

f) Capital commitments not provided for – Rs Nil (PY Rs Nil)



12/11

- g) As per notification by Ministry of Corporate Affairs dated 30th March 2017, following are the transactions through Specified Bank Notes (SBN)

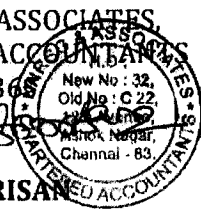
Particulars	SBN's	Other Denomination	Total
Closing Cash in Hand as on 08/11/2016	-	11,125	11,125
(+) Permitted receipts	-	1,87,339	1,87,339
(-) Permitted payments	-	(1,84,861)	(1,84,861)
(-) Amount deposited in banks	-	-	-
Closing Cash in Hand as on 30/12/2016	-	13,603	13,603

- h) Amount earned in foreign currency during the year – Rs Nil (PY Rs Nil)
- i) The previous year's figure have been re-worked, re-grouped, re-arranged and re-classified wherever necessary, to conform to current year's classifications.

vide our report of even date attached

For KNRS& ASSOCIATES,
CHARTERED ACCOUNTANTS
FRN No 006236

S. Sabari Girisan
N SABARI GIRISAN
PARTNER
Membership No. 211930



For SOUNDARYAA IFPL INTERIORS LIMITED

R. S. Raghavan
R.S.RAGHAVAN
DIRECTOR
DIN # 00362555

Sathyamurthy D
SATHYAMURTHY D
DIRECTOR
DIN # 00355020

Place :Chennai
Date :11-05-2017