B.R. GUPTA & CO.
CHARTERED ACCOUNTANTS
K-55, Connaught Circus, New Delhi-110001

Independent Auditor's Report Of Fenesta India Limited to Deloitte Haskins & Sells, Auditors of DCM SHRIRAM LIMITED

Report on the Standalone Fit for Consolidation (FFC) Accounts

We have reviewed the attached balance sheet of **Fenesta India Limited**, as at **March 31, 2017**, and also the statement of profit and loss of the Company for the year then ended and other reconciliation and information (all collectively referred to as the Fit for Consolidation (FFC) Accounts).

Management's Responsibility for FFC Accounts

Management is responsible for the preparation of the FFC Accounts in accordance with the recognition and measurement criteria of Indian Accounting Standards ("Ind AS") as notified by MCA in its notification dated 16th February 2015 and 30th March 2016. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation of the FFC Accounts that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies that are consistent with the recognition and measurement criteria of "Ind AS" and making accounting estimates that are reasonable in the circumstances. The FFC Accounts has been prepared solely to enable DCM Shriram Limited to prepare its consolidated financial statements.

Auditor's Responsibility

Our responsibility is to express an opinion on these FFC Accounts based on our review. We conducted our review in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the review to obtain reasonable assurance about whether the FFC Accounts are free from material misstatements.

A review involves performing procedures to obtain evidence about the amounts and the disclosures in the FFC Accounts. 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 the internal controls relevant to the Company's preparation and presentation of the FFC Accounts that give a true and fair view in order to design review procedures that are appropriate in the circumstances. A review also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

These FFC Accounts have been prepared solely to enable DCM Shriram Limited to prepare its Consolidated Financial Statements in accordance with the requirements of Indian Accounting Standard (Ind AS) 110 'Consolidated Financial Statements' as notified under the Companies (Indian Accounting Standards) Rules, 2015 and not to report on **Fenesta India Limited** as a separate entity.

Independence Confirmation

We are independent with respect to the parent company, any subsidiary or affiliated companies following the provisions of International Standards on Auditing/ the Chartered Accountant Act, 1949 (as applicable)

a) Neither any of the partners of our firm, nor any of the staff members employed by our office doing the work on this engagement has any direct or material indirect financial interest in or indebtedness owning from the parent company, any subsidiary or affiliated companies.

b) None of the partners of our firm, nor any of the staff members employed by our office(s) doing the work on this engagement is connected with the parent company, any subsidiary or affiliated companies, as a promoter, underwriter, voting trustee, director, officer or employee.

c) To the best of our knowledge there are no other relationships or circumstances which would impair our independence with respect to the parent company or any subsidiary or affiliated companies.

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Opinion

In our opinion, these FFC Accounts have been prepared, in all material respects, in conformity with accounting principles of DCM Shriram Limited and are suitable for inclusion in the Consolidated Financial Statements of DCM Shriram Limited prepared in accordance with the requirements of Indian Accounting Standard (Ind AS) 110 'Consolidated Financial Statements' as notified under the Companies (Indian Accounting Standards) Rules, 2015.

Other Matters

We further state that there are no other matters that, in our judgment, need to be reported to you; other than below:

(i) These FFC account contains/disclose the impact of pending litigations, if any.

(ii) These FFC account did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

(iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as and dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management - Refer *Note No 18.1 to the financial statements.*

This report is intended solely for the use of Deloitte Haskins & Sells in connection with the audit of the Consolidated Financial Statements of DCM Shriram Limited and should not be used for any other purpose.

For B. R. Gupta & Co.
Chartered Accountants
Firm's Registration Number 008352N

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(Deepak Agarwal)
Partner
Membership No. 073696

Place of Signature: New Delhi
Date: 25 APR 2017

B.R. GUPTA & CO.
CHARTERED ACCOUNTANTS
K-55, Connaught Circus, New Delhi-110001

Independent Auditor's Report

To The Members of Fenesta India Limited

Report on the Standalone Ind AS Financial Statements
We have audited the accompanying standalone Ind AS financial statements of **Fenesta India Limited ("the Company")**, which comprise the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit & 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 (Ind AS) specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these standalone Ind AS 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 there under.

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

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

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

Opinion
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted

in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2017 and its profit (including other comprehensive income), its cash flows and the changes in the equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

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

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

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

      i. On the basis of written representations received from the management of the Company, the Company has no pending litigations which could impact its financial position in its financial statements.

      ii. The Company has not made any provisions, as required under the applicable law or accounting standards since the Company does not deal into derivative contracts.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

      iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as and dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management - Refer *Note No 18.1 to the financial statements.*

For B.R. Gupta & Co.
Chartered Accountants,
Firm Registration Number 008352N

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

(Deepak Agarwal)
Partner
Membership No. 073696
Place of Signature:
Date: 25 APR 2017

Annexure 'A' to the Independent Auditors' Report of even date on the standalone financial statement of Fenesta India Limited

The Annexure referred to in independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2017, we report that:

i) In respect of fixed assets:

a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

b) Fixed assets have been physically verified by the management at reasonable intervals. No discrepancies were noticed on such verification of the assets.

c) On the basis of information and explanation provided by the management, the lease agreement of Leasehold Building are held in the name of the Company.

ii) In respect of its inventory:

a) On the basis of information and explanation provided by the management, inventories have been physically verified by the management except for stock at site during the year. In our opinion the frequency of physical verification followed by the management is reasonable.

b) No material discrepancies were noticed on verification between the physical stocks and the book records.

iii) According to the information and explanation given to us, the company had not granted loans, secured or unsecured, to any of the Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of clause 3(iii) (a) to (c) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

iv) According to the information and explanation given to us, The Company has not made any loans, investment, guarantees and securities during the year therefore provisions of section 185 and 186 are not applicable to the company.

v) The Company has not accepted any deposits from the public.

vi) On the basis of available information and explanation provided to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Amendment Rules, 2014 dated December 31, 2014 to the current operations carried out by the Company. Accordingly, the provisions of clause 3(vi) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

vii) (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including income tax, cess and any other statutory dues with the appropriate authorities. Further no undisputed amounts were payable in respect of income tax and other statutory dues were outstanding, as at 31st March, 2016 for a period of more than six months from the date they became payable except for professional tax totalling Rs. 325.

(b) According to the records of the Company examined by us and the information and explanations given to us, there is no any dues of income tax and other statutory dues which have not been deposited on account of any dispute.

viii) In our opinion and on the basis of available information and explanation provided to us, the Company has neither raised funds from any financial institution, banks, government nor dues of any debenture holders during the year. Therefore, clause 3(viii) is not applicable to the company.

ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.

x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi) On the basis of available information and explanation provided to us, the Company has not paid any managerial remuneration during the year therefore this clause is not applicable to the Company.

xii) The Company is not a Nidhi Company, accordingly paragraph 3(xii) of the Order is not applicable.

xiii) During the course of our examination of the books and records of the Company, all transactions entered with the related parties are in compliance with section 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements etc, as required by the applicable accounting standards. Further the provision of section 177 of the Act are not applicable to the Company.

xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of paragraph 3(xiv) of the Order are not applicable to the Company.

xv) The Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of paragraph 3(xv) of the Order are not applicable to the Company.

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

For B. R. Gupta & Co.
Chartered Accountants
Firm's Registration Number 008352N

(Deepak Agarwal)
Partner
Membership Number 073696

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Place of Signature: New Delhi
Date: 25 APR 2017

Annexure 'B' to the Independent Auditors' Report of even date on the standalone Ind AS financial statement of Fenesta India Limited

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

We have audited the internal financial controls over financial reporting of **Fenesta India Limited ("the Company")** as of March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS 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

S.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B. R. Gupta & Co.
Chartered Accountants,
Firm's Registration Number 008352N

(Deepak Agarwal)
Partner
Membership Number 073696

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Place of Signature: New Delhi
Date: 25 APR 2017

Fenesta India Limited
Balance Sheet as at 31st March 2017

(Amount in ₹ Thousand)

Particulars	Notes	As At March 31, 2017	As At March 31, 2016	As At March 31, 2015
Assets				
Non-Current Assets				
Property, plant and equipment	2.1	3	19	68
Other Intangible assets	2.2	-	1	4
Deferred tax assets (net)	3	267	120	73
Financial Assets				
Long term loans and advances	4.1	559	97	151
Other Non Current Assets	5.1	4,077	1,998	2,608
Total non-current assets		**4,906**	**2,235**	**2,904**
Current Assets				
Inventories	6	60,947	30,336	8,307
Financial Assets				
Trade and other receivables	7	37,448	28,044	36,502
Cash and cash equivalents	8	5,782	4,830	6,145
Short-term loan and advances	4.2	663	507	259
Other Current assets	5.2	76,824	78,955	44,038
Total current assets		**181,664**	**142,672**	**95,251**
Total assets		**186,570**	**144,907**	**98,155**
Equity and liabilities				
Equity				
Equity Share capital	9	500	500	500
Other Equity				
Retained earnings	10	2,352	1,397	1,126
Total equity		**2,852**	**1,897**	**1,626**
Non-current liabilities				
Long -term provisions	11.1	632	351	263
Total non-current liabilities		**632**	**351**	**263**
Current liabilities				
Financial Liabilites				
Trade and other payables	12	3,150	1,561	1,342
Provisions	11.2	71	44	37
Other current liabilities	13	179,865	141,054	94,887
Total current liabilities		**183,086**	**142,659**	**96,266**
Total liabilities		**183,718**	**143,010**	**96,529**
Total Equity and Liabilities		**186,570**	**144,907**	**98,155**

As per our report attached to the balance sheet

For B.R. Gupta & Co,
Chartered Accountants
Firm's Registration Number: 008352N

(Deepak Agarwal)
Partner

Membership Number 073696

Place of Signature: New Delhi
Date: 25 APR 2017

For & on behalf of Board of Directors of Fenesta India Limited

(Ajit S. Shriram)
Director
DIN No. 00027918

(Ajay S. Shriram)
Director
DIN No. 00027137

Fenesta India Limited

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

(Amount in ₹ Thousand)

Particulars	Notes	Year Ended March 31, 2017	Year Ended March 31, 2016
Revenue from operations	14	718,937	496,732
Other Income	15	233	155
Total Income		719,170	496,887
Expenses			
Purchases of Stock-in-Trade		672,369	477,979
Increase)/Decrease in Inventory	16	(30,610)	(22,029)
Employee benefits expense	17	5,651	6,630
Depreciation and Amortisation	2	21	59
Other Expenses	18	70,354	33,866
Total Expenses		717,785	496,506
Profit Before Tax		1,385	382
Tax Expense			
- Current tax		541	175
- Deferred tax		(146)	(47)
- MAT Credit Entitlement			
- Tax adjustments related to earlier years		-	-
Income Tax Expense / (Benefit)			
Profit for the Year from Continuing Operations		990	254
Profit for the Year		990	254
Other Comprehensive Income			
Acturial Gain on Gratuity		(35)	18
Other Comprehensive Income for the year, net of tax		(35)	18
Total Comprehensive Income for the year		955	271
Earnings Per Share			
From Continuing Operations:			
Basic and Diluted Earning (INR per share)		19.09	5.43

The accompanying notes form an integral part of these financial statements.

As per our report attached to the balance sheet

For B.R. Gupta & Co,
Chartered Accountants
Firm's Registration Number: 008352N

(Deepak Agarwal)
Partner
Membership Number 073696

Place of Signature: New Delhi
Date: 25 APR 2017

For & on behalf of Board of Directors of Fenesta India Limited

(Ajit S. Shriram)
Director
DIN No. 00027918

(Ajay S. Shriram)
Director
DIN No. 00027137

Fenesta India Limited

Statement of Change in Equity (Standalone) For the year ended March 31, 2017

A. Equity Share Capital	(Amount in ₹ Thousand)
As at April 1 ,2015	500
As at Mar 31 ,2016	500
As at Mar 31 ,2017	500

B. Other Equity

	Reserve and Surplus	Total
	Retained Earning	
As at April 1 2015	**1,126**	**1,126**
Additions :		
Profit for the year	254	254
other comprehensive income for the year	18	18
As at Mar 31 ,2016	**1,397**	**1,397**
Additions :		
Profit for the year	990	990
other comprehensive income for the year	(35)	(35)
As at Mar 31 ,2017	**2,352**	**2,352**

As per our report of even date attached

For B.R.GUPTA & Co.
CHARTERED ACCOUNTANTS
Regn. No. 008352N

(DEEPAK AGARWAL)
PARTNER
Membership No.: 073696

(Ajit S. Shriram)
Director
DIN : 00027918

(Ajay S. Shriram)
Director
DIN : 00027137

PLACE: NEW DELHI
DATE: 25 APR 2017

Fenesta India Limited

Cash flow statement for the year ended March 31, 2017

(Amount in ₹ Thousand)

Particulars	Year ended Mar 31, 2017	Year ended Mar 31, 2016
A. Cash flow from operating activities		
Net profit before tax	955	271
Adjustments for :		
Provision for current tax	541	175
Provision for deferred tax	(146)	(47)
Depreciation	22	59
Operating profit before working capital changes	**1,371**	**458**
Adjustments for :		
Decrease/ (increase) in inventories	(30,611)	(22,029)
Decrease/ (increase) in trade receivables	(9,404)	8,458
Decrease/ (increase) in long term loans & advances	(462)	54
Decrease/ (increase) in short term loans & advances	(156)	(248)
Decrease/ (increase) in other current assets	2,131	(34,917)
Increase/ (decrease) in trade payables	1,589	219
Increase/ (decrease) in other current liabilities	38,811	46,167
Increase/ (decrease) in Long term provisions	281	88
Increase/ (decrease) in short term provisions	27	8
Cash generated from operations	**3,576**	**(1,742)**
Income taxes (paid) / refund (Net)	(2,621)	436
Net cash flow from operating activities	**955**	**(1,306)**
B. Cash flow from investing activities	-	-
Purchase of assets	(4)	(7)
Net cash flow from investing activities	**(4)**	**(7)**
C. Cash flow from financing activities	-	-
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**951**	**(1,313)**
Cash and cash equivalents as at opening		
Cash and cheques in hand and balance with banks	4,832	6,145
Cash and cash equivalents as at closing		
Cash and cheques in hand and balance with banks	5,783	4,832

As per our report attached to the balance sheet
For B.R. Gupta & Co,
Chartered Accountants
Firm's Registration Number: 008352N

(Deepak Agarwal)
Partner
Membership Number 073698

Place of Signature: New Delhi
Date: 25 APR 2017

For & on behalf of Board of Directors of Fenesta India Limited

(Ajit S. Shriram)
Director
DIN No. 00027918

(Ajay S. Shriram)
Director
DIN No. 00027137

Fenesta India Limited

Notes to Standalone Financial Statements for the Year Ended March 31, 2017

1. Corporate Information and Accounting Policies

1.1 General Information

Fenesta India Limited ('the Company') is a public limited company incorporated in India. The Holding company, DCM Shriram Limited owns 100% of equity share capital of the Company. The registered office of the Company is located at 5th Floor, Kanchenjunga Building, 18 Barakhamba Road, New Delhi -110001, India.

The Principal Activity of the company is trading and installation of UPVC Windows and Doors.

The financial statements are approved by Board of Directors in their board meeting dated _____.

1.2 Basis of preparation

a) Statement of Compliance

The financial statements comply in all aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. Upto the year ended March 31, 2016, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015. *Refer notes to account for the details of the first-time adoption by the Company.*

b) Basis of Preparation and Presentation

These financial statements have been prepared on the historical cost basis, except for the following which are measured at each reporting date as under:

- Certain financial assets and liabilities - at fair value/amortized cost;
- Inventory- at lower of cost or net realizable value

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. For financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in the active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The financial statements are presented in Indian Rupees ('Rs.') and are rounded off to the thousands, except otherwise indicated

Notes to Standalone Financial Statements for the Year Ended March 31, 2017

1.3 Significant Accounting Policies

a) Use of Estimates

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of asset and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the period presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

Useful lives of property, plant and equipment: *The Company reviews the useful life of property, plant and equipment and intangible assets at the end of each reporting period. This review may result in change in depreciation in future period if the present useful life differs from the previously estimated useful lives.*

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

b) Property, Plant and Equipment

All tangible property, plant and equipments are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Cost of acquisition or construction is inclusive of freight, duties, taxes, incidental expenses and interest on loans attributable to the acquisition of assets up to the date of commissioning of assets. The Company is following straight line method of depreciation in respect of buildings, plant and machinery and written down value method in respect of other assets.

Depreciation on all tangible fixed assets is provided on the basis of useful life/residual value determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advise etc., as given below:

(i) Estimated useful lives are as under:

Asset	Useful life
Office Equipment	5 Years

(ii) Residual value

Asset	Residual value
Office Equipment	5%

Depreciation is calculated on a pro-rata basis from the date of additions, except in case of assets costing upto Rs 5,000 each, where each such asset is fully depreciated in the year of purchase.

Notes to Standalone Financial Statements for the Year Ended March 31, 2017

c) Inventories

Inventories are valued at the lower of cost and net realizable value. The basis for determining cost (which also includes taxes and duties wherever applicable) for different categories of inventory are as under:

Stock-in-trade	-	Cost (calculated by following Specific Identification Method) or net realizable value, whichever is lower

d) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.

(i) Sale of Goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

(ii) Rendering of services

Revenue from the installation services is recognised in the accounting period in which the services are rendered. If installation has not been completed, when the installation is an important part of the contract, recognition does not take place until installation is complete.

(iii) Dividend and Interest Income

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

Dividend income from investments is recognized when the shareholder's right to receive payment has been established, provided that it is probable that the economic benefits will flow to the Company and the amount of dividend can be measured reliably.

e) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction and production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other Borrowing costs are recognized in profit or loss in the period in which they are incurred.

f) Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences; if any.

Current Income Tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operates and generates taxable income and is recognized in profit or loss, except when it relate to items that are recognized in other comprehensive income or directly in equity, in which case, the income tax and deferred tax are also recognized in other comprehensive income or directly in equity, respectively. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is recognized using the liability method on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in computation of taxable profits. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary differences arise from initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profits.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax relates to the same taxable entity and the same taxation authority.

g) Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of financial asset or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial Assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortized cost.

Measurement: Debt instruments

Amortized cost: Assets are subsequently measured at amortized cost if these are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through other comprehensive income (FVTOCI): Assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses).

Fair value through profit or loss (FVTPL): Assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss

Equity Instruments

Investment in Subsidiaries: Investment in subsidiaries is measured at cost as per Ind AS 27 - Separate Financial Statements.

Investment in Other Equity Instruments: On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income (except for those investments which are held for trading). These are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from change in fair value recognized in other comprehensive income. There is no recycling of amounts from OCI to Profit or loss, even in case of sale of investment.

The Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

Cash and Cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial Liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees, transaction costs and other premiums or discounts) through the expected life of the financial liability.

h) **Provisions**

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. However, if the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is being used, the increase in the provision due to the passage of time is recognized as a finance cost.

Fenesta India Limited

Notes to Standalone Financials Statements for the year ended March 31, 2017

Note 2: Non Current Assets

(Amount in ₹ Thousand)

Description		Gross Block				Depreciation And Amortisation				Net Block	
		As at March 31, 2016	Additions	Deductions	As at March 31, 2017	Up to March 31, 2016	For the year	On deductions	Up to March 31, 2017	As at March 31, 2017	As at March 31, 20
2.1 Property, Plant and Equipment											
Leasehold improvements		135	-	-	135	121	14	-	135	(0)	1
Office & Other Equipments		17	4	-	21	12	6	-	18	3	
Total	This Year	152	4	-	156	133	20	-	153	3	1
	Previous year	145	7	-	152	77	56	-	133	19	6
2.2. Intangible Assets				-							
Software		13	-	-	13	12	1	-	13	-	
Total	This Year	13	-	-	13	12	1	-	13	-	
	Previous year	13	-	-	13	9	3	-	12	1	

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Fenesta India Limited

Notes to Standalone Financials Statements for the year ended March 31, 2017

(Amount in ₹ Thousand)

Particulars	As At March 31, 2017	As At March 31, 2016	As At March 31, 2015
Note 3: Deferred Tax Asset			
Deferred Tax Liabilities			
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	(3)	2	19
Gross Deferred Tax Liability (A)	(3)	2	19
Deferred Tax Assets			
Defined Benefit Obligation	181	122	93
Others	82	-	-
Gross Deferred Tax Assets (B)	263	122	93
Deferred tax asset (net)	267	120	73

Fenesta India Limited

Notes to Standalone Financials Statements for the year ended March 31, 2017

(Amount in ₹ Thousand)

Particulars	As At March 31, 2017	As At March 31, 2016	As At March 31, 2015
Note 4: Financial Assets:			
4.1. Long Term 'Loans and Advances			
(Unsecured considered good unless otherwise stated)			
Security Deposit	559	97	151
	559	**97**	**151**
4.2. Short Term 'Loans and Advances			
(Unsecured considered good unless otherwise stated)			
Financial carried at amortised cost			
Security Deposit	663	507	259
	663	**507**	**259**
Other financial assets -Total	**663**	**507**	**259**

Fenesta India Limited
Notes to Standalone Financials Statements for the year ended March 31, 2017

(Amount in ₹ Thousand)

Particulars	As At March 31, 2017	As At March 31, 2016	As At March 31, 2015
Note 5.1: Other Non Current Assets			
Advance tax (Net of Provisions)	4,077	1,998	2608
	4,077	1,998	2,608
Note 5.2: Other Current Assets			
Advance to vendors*	71,469	71,407	36,559
Prepayments	16	17	31
Balance with statutory authorities	2,841	2,795	2,890
Employee advance	9	18	-
Prepaid Expenses	2,490	4,718	4,558
	76,824	78,955	44,038

* Vendor advances include advances from Holding company Rs. 714.69 Lacs (PY Rs. 714.07 Lacs)

Fenesta India Limited

Notes to Standalone Financials Statements for the year ended March 31, 2017

(Amount in ₹ Thousand)

Particulars	As At March 31, 2017	As At March 31, 2016	As At March 31, 2015
Note 6: Inventories			
Stock-in-trade	60,946	30,336	8307
	60,946	30,336	8,307

Fenesta India Limited

Notes to Standalone Financials Statements for the year ended March 31, 2017

(Amount in ₹ Thousand)

Particulars	As At March 31, 2017	As At March 31, 2016	As At March 31, 2015
Note 7: Trade and other receivables			
Outstanding for a period exceeding six months from due date			
for payment			
Secured - considered good	-	-	-
Unsecured - considered good	15,954	13,519	16,794
- considered doubtful	-	-	-
	15,954	13,519	16,794
Less: Provision for doubtful receivables	-	-	-
	15,954	13,519	16,794
Others			
Secured - considered good	-	-	-
Unsecured - considered good	21,494	14,526	19,708
	37,448	**28,044**	**36,502**

D.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Fenesta India Limited

Notes to Standalone Financials Statements for the year ended March 31, 2017

(Amount in ₹ Thousand)

Particulars	As At March 31, 2017	As At March 31, 2016	As At March 31, 2015
Note 8: Cash and cash equivalents			
Cash and cash equivalents includes:			
Balances with banks on			
- current accounts	5,782	4,830	6,145
	5,782	**4,830**	**6,145**

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Fenesta India Limited
Notes to Standalone Financials Statements for the year ended March 31, 2017

(Amount in ₹ Thousand)

Particulars	As At March 31, 2017	As At March 31, 2016	As At March 31, 2015
Note 9: Share Capital			
Authorised			
50,000 (Previous Year - 50,000) Equity shares of Rs.10 each	500	500	500
	500	**500**	**500**
Issued, Subscribed and fully paid up			
50,000 (Previous Year - 50,000) Equity shares of Rs.10 each	500	500	500
	500	**500**	**500**

Notes:

a) 50,000 (2015-16 - 50,000) equity shares are held by DCM Shriram Consolidated Limited, the holding company. The company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

b) Share Capital Reconciliation	As At March 31, 2017	As At March 31, 2016	As At March 31, 2015
Equity shares outstanding at the beginning of the year	50,000	50,000	50,000
Equity shares issued during the year	-	-	-
Equity shares bought back during the year	-	-	-
Equity shares outstanding at the end of the year	**50,000**	**50,000**	**50,000**

There is no movement in the shares outstanding at the beginning and at the end of the reporting period.

c) Details of shareholders holding more than 5% shares of the Company

DCM Shriram Limited (Formaly known as DCM Shriram Consolidated Limited)			
No of shares held	50,000	50,000	50,000
%age of shares held	100	100	100

d) Terms/rights attached to each class of shares

The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive 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.

V.R. GUPTA & CO. NEW DELHI

Fenesta India Limited

Notes to Standalone Financials Statements for the year ended March 31, 2017

(Amount in ₹ Thousand)

Particulars	As At March 31, 2017	As At March 31, 2016	As At March 31, 2015
Note 10: Other equity			
Retained Earnings			
Balance at beginning of year	1,397	1,126	792
Addition during the Year			
Add: Profit during the year	990	254	334
Add: OCI during the year	(35)	18	-
Balance at end of year	**2,352**	**1,397**	**1,126**

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Fenesta India Limited

Notes to Standalone Financials Statements for the year ended March 31, 2017

(Amount in ₹ Thousand)

Particulars	As At March 31, 2017	As At March 31, 2016	As At March 31, 2015
Note 11: Provisions			
11.1. Long Term Provisions			
Provision for Gratuity	239	130	87
Provision for Earned leave	309	173	142
Provision for Medical leave	85	47	34
	632	**351**	**263**
11.2. Short Term Provisions			
Provision for Gratuity	0	0	-
Provision for Earned leave	57	36	31
Provision for Medical leave	13	8	6
	71	**44**	**37**

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Fenesta India Limited

Notes to Standalone Financials Statements for the year ended March 31, 2017

(Amount in ₹ Thousand)

Particulars	As At March 31, 2017	As At March 31, 2016	As At March 31, 2015
Note 12: Financial Liabilities:			
Trade and Other payables			
Employee dues payable	636	498	312
Others	2,514	1,063	1,030
	3,150	**1,561**	**1,342**

#Based on the information available with the Company, there are no principal amount and interest due to Micro and Small Enterprise as defined under the "The Micro, Small and Medium Enterprises Development Act, 2006" (2015-16 – Rs. Nil).

Fenesta India Limited

Notes to Standalone Financials Statements for the year ended March 31, 2017

(Amount in ₹ Thousand)

Particulars	As At March 31, 2017	As At March 31, 2016	As At March 31, 2015
Note 13: Other Current Liabilities			
Statutory dues payables	8,603	4,417	5,940
Others [Advances from Customers]	171,262	136,637	88,949
	179,865	**141,054**	**94,889**

Fenesta India Limited

Notes to Standalone Financials Statements for the year ended March 31, 2017

(Amount in ₹ Thousand)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Note 14: Revenue from operations		
Revenue from sale of products:		
Sale Of Traded Products	521,261	452,925
Revenue from services	32,920	27,955
Works Contract Tax Sales	164,756	15,852
	718,937	**496,732**
Revenue from operations	**718,937**	**496,732**

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Fenesta India Limited

Notes to Standalone Financials Statements for the year ended March 31, 2017

(Amount in ₹ Thousand)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Note 15: Other Income		
Insurance reciepts	216	-
Amount written back	0	136
Interest income on Financial Asset	17	19
	233	**155**
Note 16: Changes in Inventory		
Opening Stock	30,336	8,307
Less: Closing Stock	60,946	30,336
	(30,610)	**(22,029)**

S.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Fenesta India Limited

Notes to Standalone Financials Statements for the year ended March 31, 2017

(Amount in ₹ Thousand)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Note 17: Employee Cost		
Salary, Wages , Bonus & Other Expenses	4,665	5,639
Contribution to PF & Other Funds	509	633
Gratuity	73	61
Leave Encashment	199	52
Staff & Workmen Welfare Expenses	205	245
	5,651	**6,630**

S.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Fenesta India Limited

Notes to Standalone Financials Statements for the year ended March 31, 2017

Particulars	(Amount in ₹ Thousand) Year Ended March 31, 2017	Year Ended March 31, 2016
Note 18: Other Expenses		
Rent	2,899	1,843
Rates & Taxes	1,077	1,027
Audit Fees	58	57
Tax Audit Fees	29	29
Others	406	178
Travelling expense	403	222
Telephone expenses	79	98
Labour charges	-	4
Installation charges	61,627	29,442
Insurance Charges	420	184
Freight		-
Legal & Professional Expense	2,699	542
Bank Charges	32	88
Miscellaneous expenses	623	151
	70,354	**33,866**

D.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Fenesta India Limited
Notes to the Financial Statements as at March 31, 2017

Note 18.1: Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016

Particulars	Specified Bank Notes (Rs 500 & Rs 1000 Notes)	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	-	-	-
Add: Permitted receipts	-	-	-
Less: permitted payments	-	-	-
Less: Amount deposited in banks	-	-	-
Closing cash in hand as on 30.12.2016	-	-	-

B.R. GUPTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

Notes To Financial Statements For The Year Ended March 31, 2017

19. Transition to Ind AS- Overall Principle:

These financial statements for the year ended March 31, 2017, are the Company's first annual financial statements prepared in accordance with Ind AS. The accounting policies set out in the financial statements have been applied in preparing the financial statements for the year ended March 31, 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet as at April 1, 2015 (the date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted/reclassified the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (Previous GAAP) to comply with Ind AS. An explanation of how the transition from previous GAAP to Ind AS has affected; subject to certain exemptions availed by the Company, are given as under:

(i) **Property, plant and equipment and intangible assets at deemed cost:** As per Ind AS 101, the Company has opted to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value and use that carrying value as its deemed cost.

(ii) **Classification and measurement of financial assets:** As per Ind AS 101, the Company has classified and measured financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

(iii) **Estimates:**
Ind AS estimates as at April 1, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for the following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:
- Market rate of interest for calculating fair value of financial instruments,

(iv) **Adjustment in statement of Cash Flows:** The transition from Indian GAAP to Ind-AS had no significant impact on cash flows generated by the company. Cash flows items are classified in a consistent manner as operating, investing or financing activity.

20. Financial Risk Management: The Company's financial risk management is carried out by central treasury department under policies approved by the board of directors. Treasury team identifies, evaluates and hedges financials risks in close co-operation with the Company's operation units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as credit risk and investment of excess liquidity.

a) **Credit Risk Management:** Credit risk refers to the risk that counterparty might default on its contractual obligations resulting in financial loss to the Company. Credit risk arises through credit exposure to deposits with banks and financial institution etc. The Company's exposure and credit worthiness of the counterparty is continuously monitored and the credit limits are reviewed/revised periodically based on the evaluation of the financial position of the counterparty. The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It consider available reasonable and supportive forwarding-looking information e.g. actual or expected adverse change in the operating results, financial or economic condition that are expected to cause a significant change to the borrower's ability to meet its obligations and the results of regular follow up with the party.

Notes To Financial Statements For The Year Ended March 31, 2017

b) **Liquidity Risk Management:** Liquidity risk management includes maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligation when due and to close out market position. Due to the nature of the underlying business, Company maintains flexibility in funding by matching the maturity profiles of financial assets and liabilities, continuously monitoring forecast and actual cash flows. The tables below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities (The amount disclosed in the table is the contractual undiscounted cash flow):

(Amount in '000)

Contractual maturities of financial liabilities (Non Derivative)- 31.03.2017	Less than 3 Months	3 to 6 Months	6 Months to 1 Year	1 to 2 Year	Between 2 to 5 years	Total
Trade Payables- Employee Dues Payables	365	-	271	-	-	636
Trade Payables-Others	2,514	-	-	-	-	2,514

Contractual maturities of financial liabilities (Non Derivative)- 31.03.2016	Less than 3 Months	3 to 6 Months	6 Months to 1 Year	1 to 2 Year	Between 2 to 5 years	Total
Trade Payables-Employee Dues Payables	291	-	207	-	-	498
Trade Payables-Others	1,063	-	-	-	-	1,063

Contractual maturities of financial liabilities (Non Derivative)- 01.04.2015	Less than 3 Months	3 to 6 Months	6 Months to 1 Year	1 to 2 Year	Between 2 to 5 years	Total
Trade Payables-Employee Dues Payables	312	-	-	-	-	312
Trade Payables-Others	1,030	-	-	-	-	1,030

c) **Financial Instruments by Category**

Particulars	31-Mar-17			31-Mar-16			April 1, 2015		
	FVPL	FVOCI	Amortized cost	FVPL	FVOCI	Amortized cost	FVPL	FVOCI	Amortized cost
Financial Assets									
Long Term Loans & Advances	-	-	559	-	-	97	-	-	151
Trade and other receivables	-	-	37,448	-	-	28,044	-	-	36,502
Cash and cash equivalents	-	-	5,782	-	-	4,830	-	-	6,145
Short-term loan and advances	-	-	663	-	-	507	-	-	259
Total Financial Assets	-	-	**44,452**	-	-	**33,478**			**43,057**
Financial Liabilities									
Trade payables	-	-	3,150	-	-	1,561			1,342
Total Financial Liabilities	-	-	**3,150**	-	-	**1,561**	-	-	**1,342**

Fenesta India LIMITED

Notes To Financial Statements For The Year Ended March 31, 2017

d) First time Ind AS Adoption – Reconciliation Statement

Particulars	Notes in Balance Sheet	As At March 31, 2016			As At April 1, 2015 (Date of Transition)		
		Previous GAAP	Transition Impact	Ind AS	Previous GAAP	Transition Impact	Ind AS
Non Current Assets							
Property, plant and equipment	2.1	19	-	19	68	-	68
Other Intangible assets	2.2	1	-	1	4	-	4
Deferred tax assets (net)	3	120	-	120	73	-	73
Long term loans and advances	4.1	114	(17)	97	182	(31)	151
Other Non Current Assets	5.1	1,998	-	1,998	2,608	-	2,608
Non-Current Assets		**2,252**	(17)	**2,235**	**2,935**	(31)	**3,904**
Inventories	6	30,336	-	30,336	8,307	-	8,307
Trade and other receivables	7	28,044	-	28,044	36,502	-	36,502
Cash and cash equivalents	8	4,830	-	4,830	6,145	-	6,145
Short-term loan and advances	4.2	507	-	507	259	-	259
Other Current assets	5.2	78,939	17	78,956	44,008	31	44,039
Current Assets		**142,656**	**17**	**142,673**	**95,221**	**31**	**95,252**
Total Assets		**144,908**	-	**144,908**	**98,157**	-	**98,157**
Equity & Liabilities							
Equity Share Capital	9	500	-	500	500	-	500
Other Equity	10	1,397	-	1,397	1,126	-	1,126
Total Equity		**1,897**	-	**1,897**	**1,626**	-	**1,626**
Liabilities							
Long -term provisions	11.1	351	-	351	263	-	263
Trade and other payables	12	1,561	-	1,561	1,342	-	1,342
Provisions	11.2	44	-	44	37	-	37
Other current liabilities	13	141,054	-	141,054	94,889	-	94,889
Total Liabilities		**143,010**	-	**143,010**	**96,531**	-	**96,531**
Total Equity & Liabilities		**144,908**	-	**144,908**	**98,157**	-	**98,157**

S.R. GUPTA & CO. NEW DELHI

Notes To Financial Statements For The Year Ended March 31, 2017

e) Total Comprehensive Income Reconciliation

Particulars	Notes	As at March 31, 2016		
		Previous GAAP	Effect of transition to Ind AS	Ind AS
Revenue from operations	14	497,556	(824)	496,732
Other Income	15	136	19	155
Expenses				
Purchases of Stock-in-Trade		477,979	-	477,979
Increase)/Decrease in Inventory	16	(22,029)	-	(22,029)
Employee benefits expense	17	6,612	18	6,630
Depreciation and Amortisation	6	59	-	59
Other Expenses	5	34,671	(805)	33,866
Total Expenses		497,292	(787)	496,505
Profit Before Tax		400	(18)	382
Tax Expense				
- Current Tax		175	-	175
- Deferred Tax		(47)	-	(47)
Profit after Tax		**272**	(18)	**254**
Other Comprehensive Income		-	18	**18**
Total Comprehensive Income		**272**	-	**272**

f) Reconciliation of Equity under Indian GAAP vis-à-vis Equity as per Ind-AS

Particulars	As At March 31st, 2016	As At April 1st, 2015
Equity reported under IGAAP	1,897	1,626
Equity reported under Ind AS	1,897	1,626

21. Earnings Per Share (EPS)

(Amount in Rs. '000)

Particulars	As At March 31st, 2017	As At April 1st, 2016
Profit as per profit and loss account	955	271
Weighted average number of equity shares outstanding (In numbers)	50,000	50,000
Basic and diluted earnings per share in rupees	19.09	5.43
(Face value – Rs. 10 per share)		

22. Employee Benefits

The Company has classified the various benefits provided to employees as under:-

i) **Defined contribution plans :** The Company has recognized the following amounts in the statement of profit and loss:

Particulars	As At March 31st, 2017	As At March 31st, 2016
Employers' contribution to provident fund	256	308
Employers' contribution to superannuation fund	253	325

Notes To Financial Statements For The Year Ended March 31, 2017

ii) Defined benefit plans

(a) Gratuity

(b) Compensated absences – Earned leave/ sick leave

In accordance with Ind As 19, actuarial valuation was done in respect of the aforesaid defined benefit plans and details of the same are given below :-

Particulars	Gratuity (Unfunded)		Earned leave(Unfunded)		Medical leave(Unfunded)	
	This Year	Previous year	This Year	Previous year	This Year	Previous year
Discount rate (per annum)	**7.50%**	7.80%	**7.50%**	7.80%	**7.50%**	7.80%
Future salary increase	**7.50%**	7.00%	**7.50%**	7.00%	**7.50%**	7.00%
Expected rate of return on plan assets	-	-	-	-	-	-
In service mortality	*	*	*	-	*	-
Retirement age	**58 years**	58 years	**58 years**	58 years	**58 years**	58 years
Withdrawal rates:						
- upto 30 years	**20%**	20%	**20%**	20%	**20%**	20%
- upto 35 years	**10%**	10%	**10%**	10%	**10%**	10%
- above 35 years	**3%**	3%	**3%**	3%	**3%**	3%
Rate of Leave Availment (per annum)	-	-	-	-	**5%**	5%
I. Expense recognised in statement of profit and loss						
Current service cost	**63**	54	**125**	74	-	-
Total expense	**109**	43	**193**	37	-	-

*** 100% of IALM 2006-08**

Particulars	Gratuity (Un funded)		Earned leave(Unfunded)		Medical leave(Unfunded)	
	This Year	Previous year	This Year	Previous year	This Year	Previous year
II. Net asset/(liability) recognised in the balance sheet						
Present value of Defined benefit obligation	**239**	130	**365**	209	**98**	55
Net liability	**239**	130	**365**	209	**98**	55
Non-current liability	**239**	130	**309**	173	**85**	47
Current liability	**0.3**	-	**57**	36	**13**	8
III. Change in the present value of obligation during the year						
Present value of obligation as at the beginning of the year	**130**	87	**209**	173	-	-
Interest cost	**10**	7	**16**	13		
Current service cost	**63**	54	**125**	74		
Benefits paid	-	-	**(36)**	-		
Actuarial (gains) / losses on obligation	**35**	(18)	**52**	(51)		
Past service cost	-	-	-	-	-	-
Present value of obligation as at the end of the year	**239**	130	**365**	209	**98**	55

23. Disclosure in respect of operating leases under Ind AS - 17 "Leases" are as under:

a. Assets taken on lease

i) The Company has entered into cancellable lease agreements for lease of godowns, generally for a period of 1 to 3 years, which can be terminated, by serving notice period as per the terms of the agreements.

ii)

Lease payment recognized in the statement of profit and loss for the year	2,899	1,843

24. Related party disclosures under Ind AS 24 "Related Party Disclosures":

A. Name of related party and nature of related party relationship

Holding Company: DCM Shriram Limited

B. Transactions with DCM Shriram Limited

(Amount in Rs. '000)

Particulars	2016-17	2015-16
Purchases	672,369	477,979
Installation Charges	59,209	29,562
Advances outstanding at year end (Receivables)	71,469	71,407

25. Previous year figures have been re-grouped wherever considered necessary.

26. The figures are rounded off to the nearest thousands.

27. Notes 1 to 27 form an integral part of the financial statements.

(Ajit S Shriram)
Director
(Din – 00027918)

(Ajay S Shriram)
Director
(Din – 00027137)

Place of Signature: New Delhi
Dated: 25 APR 2017

S.R. BATLIBOI & CO. LLP CHARTERED ACCOUNTANTS NEW DELHI