

KHANNA & PANCHMIA

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

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

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Percept Waterproofing Services Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other comprehensive Income) the Cash Flow Statement and the statement of changes in the Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including Other comprehensive Income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

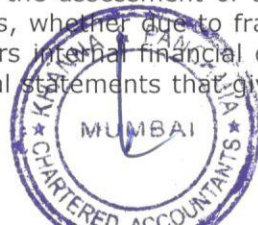
Auditor's Responsibility

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

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the order issued under section 143(11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to



design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

Opinion

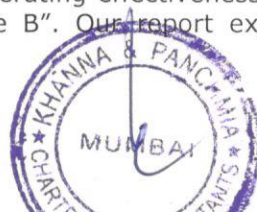
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit, total comprehensive loss, its cash flows and changes in the equity for the year ended on that date.

Emphasis of Matter

We draw attention to Note 41 to the financial statements which describes the proposed "Scheme of Amalgamation" ("Scheme") under section 230 to 232 and other applicable provisions, of the Companies Act, 2013 between the Company and Nina Waterproofing System Private Limited and their respective shareholders, effective from 01st April, 2017 (appointed date). As stated in the said note, the scheme is subject to approval of the National Company Law Tribunal (the "NCLT"). Pending approval of NCLT and other statutory approvals, no effect of the proposed Scheme has been given in the financial statements for the year ended 31st March, 2018.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Government of India in terms of Section 143(11) of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified



opinion on the adequacy and operating effectiveness of the Company's internal financial control over financial reporting.

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

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
- iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

Place: Mumbai
Date: 7-5-2018



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

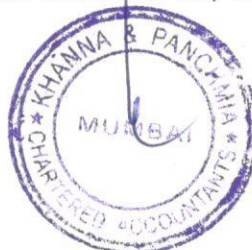
Devendra Khanna
Devendra Khanna
Partner

Membership No. 038987

Annexure "A" to the Independent Auditor's Report

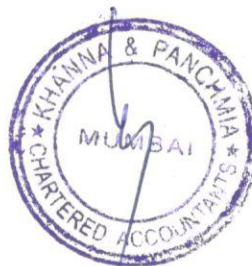
(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

- (i)
- a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) As explained to us, the fixed assets have been physically verified by the management in accordance with the phased programme of verification, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to information and explanation given to us, no material discrepancies were noticed on such verification.
 - c) As the Company does not have any immovable properties, Clause 3(i)(c) of the Order is not applicable.
- (ii) As explained to us, the inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Act. Accordingly, Clause 3 (iii) (a), (b) and (c) of the Order are not applicable and hence not commented upon.
- (iv) According to the information and explanations given to us, the Company has not granted any loans, made investment or provided guarantee, which are covered by the provisions of section 185 and 186 of the Companies Act 2013. Hence, reporting under Clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits from the public. Accordingly, Clause 3(v) of the Order is not applicable.
- (vi) The Cost records prescribed under Section 148(1) of the Act is not applicable to the Company and hence Clause 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service tax, Goods and Service tax, Custom duty, Excise duty, value added tax, cess and other statutory dues as applicable with the appropriate authorities. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Sales Tax, Service Tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they become payable.
- (b) There were no dues which have not been deposited in respect of Income tax, Sales Tax, Goods and Services Tax, Service Tax, Customs Duty, Goods and Service Tax and Value Added Tax on account of any dispute.

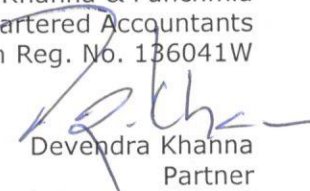


- (viii) In our opinion and according to information and explanation given to us, the Company has not defaulted in repayment of its loans and borrowings to banks. The Company has not accepted any loans or borrowings from financial institutions and government and has not issued any debentures.
- (ix) In our opinion and according to information and explanation given to us, The Company has utilised the Term Loan for the purpose for which they were raised. The Company has not raised any money by way of initial Public Offer or further public offer during the year.
- (x) Based upon the audit procedures performed and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officer/employees has been noticed or reported during the year nor have we been informed about any such case by the Management.
- (xi) In our opinion and according to information and explanations given to us, the Company has paid/provided remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with schedule V of the Companies Act, 2013.
- (xii) As the Company is not Nidhi Company, the reporting under clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Mumbai
Date: 7-5-2018



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


Devendra Khanna
Partner
Membership No. 038987

Annexure "B" to the Independent Auditor's Report

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

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

We have audited the internal financial controls over financial reporting of **Percept Waterproofing Services Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

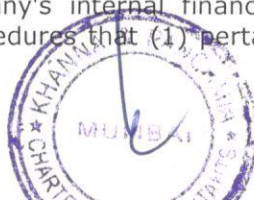
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of



records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of information and explanations given to us, the Company has, in all materials respects, an adequate internal financial controls system over financial reporting and such financial controls over financial reporting are operating effectively as at March 31, 2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Mumbai
Date: 7-5-2018



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

Devendra Khanna
Devendra Khanna
Partner

Membership No. 038987

PERCEPT WATERPROOFING SERVICES LIMITED
Balance Sheet as at 31st March, 2018

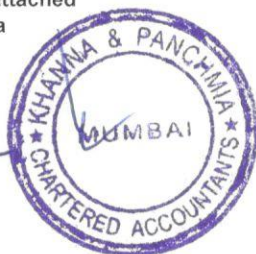
(Amount in Rs.)

Particulars	Note No.	As at 31st March 2018	As at 31st March 2017
ASSETS			
1. Non Current Assets			
(a) Property, Plant and Equipment	3	22,761,543	17,484,331
(b) Other Intangible Assets	4	31,295,073	31,333,649
(c) Financial Assets			
(ii) Other financial assets	5	39,872,720	22,269,993
(d) Other Non Current Assets (Non Financial)	6	3,887,298	
		<u>97,816,634</u>	<u>71,087,973</u>
2. Current Assets			
(a) Inventories	7	66,471,999	47,601,634
(b) Financial Assets			
(i) Trade Receivables	8	211,303,004	175,203,565
(ii) Cash and Cash Equivalents	9	98,721	88,634
(iv) Loans	10	138,953	3,102,514
(iii) Other financial assets	11	59,664,163	38,988,273
(c) Other Current Assets (Non Financial)	12	5,252,676	3,521,063
		<u>342,929,516</u>	<u>268,505,682</u>
TOTAL		<u><u>440,746,150</u></u>	<u><u>339,593,655</u></u>
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	13	60,000,000	60,000,000
(b) Other Equity	14	78,013,279	40,714,202
		<u>138,013,279</u>	<u>100,714,202</u>
LIABILITIES			
1. Non-Current liabilities			
(a) Financial Liabilities			
i) Borrowings		-	-
ii) Other financial liabilities			
(b) Provisions	15	2,065,122	1,355,451
(c) Deferred Tax Liabilities (net)	44	4,311,670	4,683,784
		<u>6,376,793</u>	<u>6,039,234</u>
2. Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	71,003,376	58,270,271
(ii) Trade Payables	17	173,375,075	137,334,511
(iii) Other financial liabilities	18	20,258,574	27,193,849
(b) Provisions	19	1,662,508	4,064,816
(c) Other Current Liabilities	20	24,006,197	5,976,771
(d) Current Tax Liability (Net)		6,050,348	
		<u>296,356,078</u>	<u>232,840,219</u>
TOTAL		<u><u>440,746,150</u></u>	<u><u>339,593,655</u></u>
Significant accounting policies	2		
See accompanying notes forming			
part of the financial statements	1 to 45		

In terms of our Report attached
For Khanna & Panchmia

Chartered Accountants
Firm Reg.No:136041W

Devendra Khanna
'Membership No. 38987
'Partner



Sudish M S

Managing Director

Sanjay Bahadur

Director

Renuka Shitut
Company Secretary

Place: Mumbai
Date : 7th May, 2018

PERCEPT WATERPROOFING SERVICES LIMITED
Statement of Profit and Loss For The Period Ended 31st March, 2018

(Amount in Rs.)

Particulars	Note No.	For the year ended 31st March 2018	For the year ended 31st March 2017
INCOME			
Revenue from Operations	21	55,57,56,415	43,64,02,833
Other Income	22	2,63,070	3,50,034
Total Income		55,60,19,485	43,67,52,867
EXPENSES			
Cost of Materials Consumed	23	29,63,42,253	22,58,56,231
Purchases of Stock-in-Trade (Traded goods)	24	1,72,48,375	2,65,46,029
Changes in inventories of Work-in-Progress	25	5,31,547	61,55,656
Direct Man Power & Site Expenses	26	8,67,97,351	6,33,13,613
Employee Benefits Expense	27	6,18,71,115	4,52,42,381
Finance Costs	28	65,41,581	52,39,585
Depreciation and Amortization Expense	29	28,51,835	50,94,889
Other Expenses	30	2,51,53,687	2,16,94,446
Total Expenses		49,73,37,744	39,91,42,831
Profit before Tax		5,86,81,741	3,76,10,036
Tax Expense			
Current Tax expense	31	2,19,06,406	1,21,83,653
Current Tax for Earlier Year		(3,24,642)	
Deferred Tax		(3,72,113)	13,01,942
Net Tax expense		2,12,09,650	1,34,85,595
Profit for the year		3,74,72,091	2,41,24,442
Other Comprehensive Income			
(i) Items that will not be reclassified subsequently to Profit and Loss			-
Remeasurements of defined benefits plan		2,72,249	1,72,931
(ii) Income Tax effect on above		(99,235)	(57,176)
Total Other Comprehensive Income		1,73,014	1,15,755
Total Comprehensive Income for the period		3,72,99,077	2,40,08,688
Earnings per share			
Basic and Diluted	34	6.25	4.02
Face Value of Share		10.00	10.00
Significant Accounting Policies			
See accompanying notes forming part of the financial statements	2		
		1 to 45	

In terms of our Report attached

For Khanna & Panchmia

Chartered Accountants

Firm Reg. No: 136041W

Devendra Khanna

Membership No. 38987

Partner

Place: Mumbai

Date : 7th May, 2018



Sudish M S

Sudish M S

Managing Director

Sanjay Bahadur

Sanjay Bahadur

Director

Renuka Shitut

Renuka Shitut

Company Secretary

PERCEPT WATERPROOFING SERVICES LIMITED

STATEMENT OF CASH FLOW			
			(Amount in Rs.)
Particulars	For the year ended 31st March, 2018		For the year ended 31st March, 2017
	A. Cash flow from operating activities		
Net Profit /(Loss) before tax		5,86,81,741	3,76,10,036
<i>Adjustments for:</i>			
Depreciation and amortization expense	28,51,835		50,94,889
Provision for employee benefits	8,58,793		(10,18,753)
Provision for warranty expense	5,35,364		4,36,758
Interest income	(2,50,838)		
Unrealised foreign exchange loss			
Loss on sale of Fixed Assets	4,50,000		
Provision for Doubtful Debts	60,74,533		24,70,783
Finance costs	65,41,581		52,39,585
		1,70,61,268	1,22,23,262
Operating profit / (Loss) before working capital changes		7,57,43,009	4,98,33,298
<i>Movement in working capital:</i>			
<i>(Increase) / decrease in operating assets:</i>			
Inventories	(1,88,70,365)		65,54,286
Trade receivables	(4,21,73,972)		(6,89,97,864)
Other financial Current assets	(1,77,12,329)		(3,69,75,453)
Other financial Non Current assets	(1,76,02,728)		(60,73,101)
Other Current Assets	(17,31,613)		20,36,089
Other non current assets	(38,87,297)		-
		(10,19,78,303)	(10,34,56,043)
<i>Increase / (decrease) in operating liabilities:</i>			
Trade payables	3,60,40,564		3,20,86,702
Other Current Financial liabilities	(69,35,275)		1,51,25,127
Other Current Liabilities	1,80,29,426		(48,59,408)
Other Non Current Financial liabilities			
		4,71,34,715	4,23,52,421
Cash generated from / (used in) operations		2,08,99,422	(1,12,70,324)
Net income tax paid		(1,87,91,225)	(33,18,767)
Net cash flow used in operating activities (A)		21,08,197	(1,45,89,091)
B. Cash flow from investing activities			
Capital expenditure on fixed assets, including capital advances	(85,40,471)		(76,97,540)
Amount paid against BTA considerations (Refer Note 46)	-		
Profit on sale of investments	-		
Interest received	2,50,838		
Investment in Subsidiary Company	-		
Investment in Deposits	-	(82,89,633)	(76,97,540)
Net cash flow used in investing activities (B)		(82,89,633)	(76,97,540)
C. Cash flow from financing activities			
Net Proceeds from Issue of share capital	-		
Share issue expenses paid	-		
Net Proceeds from borrowings	(60,06,277)		2,94,99,731
Finance costs	(65,41,581)		(52,39,585)
		(1,25,47,858)	2,42,60,146
Net cash flow generated from financing activities (C)		(1,25,47,858)	2,42,60,146
Net increase in Cash and cash equivalents (A+B+C)		(1,87,29,294)	19,73,515
Cash and cash equivalents at the beginning of the year		(16,09,360)	(35,82,875)
Cash and cash equivalents at the end of the year		(2,03,38,655)	(16,09,360)

In terms of our Report attached

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

Devendra Khanna
'Membership No. 38987
'Partner



Sudish M S

Sudish M S
Managing Director

Sanjay Bahadur

Sanjay Bahadur
Director

Renuka Shitut

Renuka Shitut
Company Secretary

PERCEPT WATERPROOFING SERVICES LIMITED
Notes forming part of financial statements.

1. Corporate information

Percept Waterproofing Service Limited "the Company") is in the business of waterproofing services. It offers end-to-end solutions in waterproofing. The Company has its major presence across the construction spectrum - including residential, commercial, industrial, institutional and Infrastructure segments. Its Principal place of business is at Mumbai. The Company was incorporated on 11th Nov, 2012.

2. Significant Accounting Policies

2.1 Basis of accounting and preparation of financial statements

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

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

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

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

The financial statements are presented in full Indian Rupees.

2.2 Revenue Recognition

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

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

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

2.3 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessee

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

2.4 Foreign currencies

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



2.5 Taxation

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

2.5.1 Current tax

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

2.5.2 Deferred tax

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

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

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

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

2.5.3 Current and deferred tax for the year

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

2.6 Property, plant and equipment

2.6.1 Property, plant and equipment acquired separately

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

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

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

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

2.6.2 Depreciation

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

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

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



2.7 Intangible assets

2.7.1 Intangible assets acquired separately

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

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

2.7.2 Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows :

Computer software is 10 years

Non Compete Fee is 3 years

Trade marks has indefinite life

2.8 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

2.9 Inventories

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

Cost of inventories is determined on weighted average. Cost for this purpose includes cost of direct materials, direct labour, excise duty and appropriate share of overheads.

Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale.

2.10 Provisions

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

Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

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

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

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



2.11 Financial instruments

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

2.11.1 Financial Assets

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

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

All other financial assets are measured at fair value.

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

2.11.2 Financial Liabilities

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

2.11.3 Derecognition of financial assets and liabilities

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

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

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

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

2.13 Employee benefits

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

2.13.1 Defined contribution plans

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

2.13.2 Defined benefit plans

For defined benefit plans in the form of Gratuity Fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest) is reflected immediately in the Balance Sheet with a charge or credit recognised in Other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised immediately for both vested and the non-vested portion. The retirement benefit obligation recognised in the Consolidated Balance Sheet represents the present value of the defined benefit obligation, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited taking into account the present value of available refunds and reductions in future contributions to the schemes

2.13.3 Short term and other long term employee benefits

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

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

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



2.14 First-time adoption – mandatory exceptions, optional exemptions

Overall principle

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

2.15 Critical accounting judgements and key sources of estimation uncertainty

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

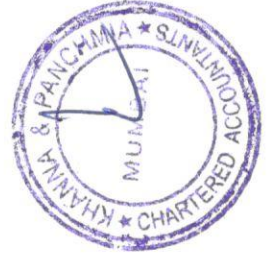
The estimates and underlying assumptions are reviewed on an ongoing basis. The effect of change in an accounting estimate is recognised prospectively in the period of change, if the change affects that period only or in the period of the change and future periods if the change affects both current and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



PERCEPT WATERPROOFING SERVICES LIMITED

Statement of changes in Equity for the year ended 31st March, 2018

	(Amount in Rs.)		(Amount in Rs.)	
	Equity Share Capital	Amount	Reserves and Surplus	Total
Balance at April 1, 2016		6,00,00,000		1,67,05,515
Changes in equity share capital during the year		-		2,41,24,442
Issue of equity shares during the year		6,00,00,000		-
Balance at March 31, 2017		-		(1,15,755)
Changes in equity share capital during the year		6,00,00,000		1,15,755
Balance at March 31, 2018		-		4,07,14,202
				3,74,72,091
				(1,73,014)
				7,80,13,279



PERCEPT WATERPROOFING SERVICES LIMITED
Notes forming part of financial statements.

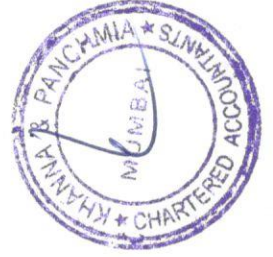
3. Property, plant and equipment and capital work-in-progress (Net Block) (Amount in Rs.)

Carrying amounts of:	As at 31-03-2018	As at 31-03-2017
Building (Leasehold Improvement)	17,582,396	15,883,499
Plant & Machinery	1,255,149	693,202
Computer and Accessories	3,335,622	769,382
Furniture & Fixtures	514,411	138,248
Office Equipments	73,965	-
Motor Vehicles	-	-
Total	22,761,543	17,484,331

Cost or deemed cost (Gross Block)	Building (Leasehold Improvement)	Plant & Machinery	Computer and Accessories	Furniture & Fixtures	Office Equipment	Motor Vehicle	Total
Balance at April 1, 2016		11,298,755	852,287	806,149	206,901	-	13,164,092
Additions		6,975,374	522,122	177,295	22,749	-	7,697,540
Balance at March 31, 2017		18,274,129	1,374,409	983,444	229,650	-	20,861,632
Additions		3,737,820	1,082,630	2,688,855	503,504	77,654	8,090,463
Balance at March 31, 2018		22,011,949	2,457,039	3,672,299	733,154	77,654	28,952,095

Accumulated depreciation	Building (Leasehold Improvement)	Plant & Machinery	Computer and Accessories	Furniture & Fixtures	Office Equipment	Total
Balance at April 1, 2016		860,947	332,372	124,432	53,829	1,371,580
Depreciation expense		1,529,683	348,835	89,630	37,573	2,005,721
Balance at March 31, 2017		2,390,630	681,207	214,062	91,402	3,377,301
Depreciation expense		2,038,923	520,684	122,615	127,340	2,813,251
Balance at March 31, 2018		4,429,553	1,201,890	336,677	218,742	6,190,551

Carrying amount (Net Block)	Building (Leasehold Improvement)	Plant & Machinery	Computer and Accessories	Furniture & Fixtures	Office Equipment	Total
Balance at April 1, 2016		10,437,808	519,915	681,717	153,072	11,792,512
Acquisitions through Business Combinations						
Depreciation expense		1,529,683	348,835	89,630	37,573	2,005,721
Balance at March 31, 2017		15,883,499	693,202	769,382	138,248	17,484,331
Additions		3,737,820	1,082,630	2,688,855	503,504	8,090,463
Depreciation expense		2,038,923	520,684	122,615	127,340	2,813,251
Balance at March 31, 2018		17,582,396	1,255,149	3,335,622	514,411	22,761,543



PERCEPT WATERPROOFING SERVICES LIMITED
Notes forming part of financial statements.

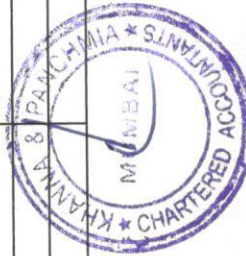
4. Other Intangible assets

	As at 31-03-2018	As at 31-03-2017
Carrying amounts of : (Net block)		
Trademark	3,10,68,088	3,10,68,088
Non Compete	-	-
Computer Software	2,26,985	2,65,561
Total	3,12,95,073	3,13,33,649

	Trademark	Non Compete	Computer Software	Total
Cost or deemed cost (Gross block)				
Balance at April 1, 2016	3,52,38,820	1,12,36,000	3,85,845	4,68,60,665
Additions			-	-
Balance at March 31, 2017	3,52,38,820	1,12,36,000	3,85,845	4,68,60,665
Addition / Deletion	-	-	-	-
Balance at March 31, 2018	3,52,38,820	1,12,36,000	3,85,845	4,68,60,665

	Trademark	Non Compete	Computer Software	Total
Accumulated amortisation and impairment				
Balance at April 1, 2016	76,94,614	81,87,678	79,429	1,59,61,721
Amortisation expense	-	30,48,322	40,847	4,34,713
Balance at March 31, 2017	41,70,732	1,12,36,000	1,20,276	1,55,27,008
Amortisation expense		-	38,585	38,585
Balance at March 31, 2018	41,70,732	1,12,36,000	1,58,861	1,55,65,593

	Trademark	Non Compete	Computer Software	Total
Carrying amount (Net Block)				
Balance at April 1, 2016	2,75,44,206	30,48,322	3,06,416	3,08,98,944
Additions	35,23,882	-	-	35,23,882
Amortisation expense		30,48,322	40,847	30,89,169
Balance at March 31, 2017	3,10,68,088	-	2,65,569	3,13,33,649
Amortisation expense	-	-	38,585	38,585
Balance at March 31, 2018	3,10,68,088	-	2,26,985	3,12,95,073



PERCEPT WATERPROOFING SERVICES LIMITED
Notes forming part of financial statements.

5. Other Non Current Financial Assets

		(Amount in Rs.)	
		As at	As at
		31st March 2018	31st March 2017
Unsecured, considered good			
Retention Monies Receivable		3,98,72,720	2,22,69,993
	TOTAL	3,98,72,720	2,22,69,993

6. Other Non Current Assets

		As at	As at
		31st March 2018	31st March 2017
Unsecured, considered good			
Balances with Government Authorities		38,87,298	-
	TOTAL	38,87,298	-

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

		As at	As at
		31st March 2018	31st March 2017
Stock of Material		6,26,70,250	4,32,68,338
Work-in-Progress		38,01,748	43,33,295
	TOTAL	6,64,71,999	4,76,01,634

8. Trade Receivables

		As at	As at
		31st March 2018	31st March 2017
Current			
Unsecured, considered good		21,13,03,004	17,52,03,565
Considered doubtful		90,84,649	24,70,783
		22,03,87,653	17,76,74,348
Less: Provision for doubtful receivables		90,84,649	24,70,783
	Total	21,13,03,004	17,52,03,565

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

9. Cash and Cash Equivalents

		As at	As at
		31st March 2018	31st March 2017
Cash on Hand		12,487	76,726
Balances with banks			
In Current Account		86,234	11,908
Cash and cash equivalents as per Balance Sheet		98,721	88,634
Bank Overdraft		- 2,04,37,376 -	16,97,994
Cash and cash equivalents as per Statement of Cash Flow		-2,03,38,655	-16,09,360

10. Other Current Financial Assets

		As at	As at
		31st March 2018	31st March 2017
Loans and Advances			
Security deposits			23,18,400
Loans and Advances to Employees		1,38,953	7,84,564
		1,38,953	31,02,964

11. Other financial assets

		As at	As at
		31st March 2018	31st March 2017
Uncertified Revenue from Works Contract		5,57,36,097	3,89,88,273
Other Receivables		10,84,742	
Security deposits		28,43,323	
	TOTAL	5,96,64,163	3,89,88,273

12. Other Current Assets

		As at	As at
		31st March 2018	31st March 2017
Unsecured, considered good			
Advance to Vendors			10,59,157
Prepaid Expenses		2,02,198	1,98,954
Balances with Government Authorities		50,50,477	22,62,952
	TOTAL	52,52,676	35,21,063



PERCEPT WATERPROOFING SERVICES LIMITED
Notes forming part of financial statements.

13. Equity Share Capital

(Amount in Rs.)	
As at	As at
31st March 2018	31st March 2017
60,000,000	60,000,000
Equity Share Capital	
Authorised Capital:	
1,00,00,000 (1,00,00,000) shares of 10 each	100,000,000
100,000,000	100,000,000
Issued, Subscribed and Paid up Capital:	
60,00,000 (60,00,000) shares of 10 each	60,000,000
TOTAL	60,000,000

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

	As at	As at	
	31st March 2018	31st March 2017	
Number of Shares	Rs.	Number of Shares	Rs.
Equity Shares			
Shares outstanding at the beginning of the year	6,000,000	6,000,000	60,000,000
Shares issued during the year	-	-	-
Shares outstanding at the end of the year	6,000,000	6,000,000	60,000,000

b. Terms/ Rights attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the company, remaining assets of the company after distribution of all preferential amounts will be distributed in proportion to the number of equity shares held. The Company has not declared any dividend during the year.

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

	As at 31st March 2018	As at 31st March 2017		
No. of Shares held	% of Holding	No. of Shares held	% of Holding	
M.S.Sudish	1,200,000	20%	1,200,000	20%
Pidlite Industries Ltd (Holding Company)	4,800,000	80%	4,800,000	80%

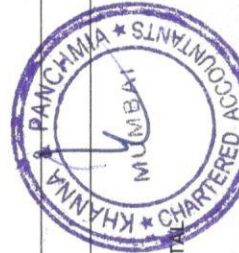
d. No equity shares were allotted without payment being received in cash.

14. Other Equity

	As at	As at
	31st March 2018	31st March 2017
Surplus / (Deficit) in Statement of Profit and Loss		
Balance as per last financial statements	40,714,202	16,705,515
Add: Profit / (Loss) for the year	37,299,077	24,008,687
Closing Balance	78,013,279	40,714,202
TOTAL	78,013,279	40,714,202

15. Non Current Provisions

	As at	As at
	31st March 2018	31st March 2017
Provision for Employee Benefits		
Gratuity	677,372	629,866
Provision for Warranty Expense	1,387,750	725,585
TOTAL	2,065,122	1,355,451



PERCEPT WATERPROOFING SERVICES LIMITED

Notes forming part of financial statements.

16. Current Borrowings

	As at 31st March 2018	As at 31st March 2017
Secured - at amortised cost		
Loans repayable on demand from Bank		
Working Capital Demand Loan	5,00,00,000	5,65,72,277
Term Loan	5,66,000	16,97,994
Bank Overdraft	2,04,37,376	0
TOTAL	7,10,03,376	5,82,70,271

17. Trade Payables

	As at 31st March 2018	As at 31st March 2017
Trade Payables	17,33,75,075	13,73,34,511
For payable to Micro & Small Enterprises (Included in above)	17,33,75,075	13,73,34,511
TOTAL	17,33,75,075	13,73,34,511

18. Other Current Financial Liabilities

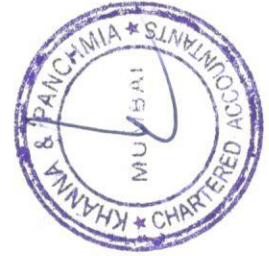
	As at 31st March 2018	As at 31st March 2017
Statutory Remittances		56,49,053
Employee related Liabilities	94,79,892	36,07,821
Retention Deposits Payable	57,48,687	33,76,342
Accrued Liabilities for Expenses	50,29,995	1,43,60,633
TOTAL	2,02,58,574	2,71,93,849

19. Current Provisions

	As at 31st March 2018	As at 31st March 2017
Provision for Employee Benefits		
Gratuity	5,60,871	1,900
Compensated absences	11,01,637	5,77,072
Provision for Warranty Expense	-	1,26,801
Provision for Tax(Net of Advance Tax)	-	33,59,043
TOTAL	16,62,508	40,64,816

20. Other Current Liabilities

	As at 31st March 2018	As at 31st March 2017
Advance from customers	1,71,03,668	59,76,771
Statutory Remittances	69,02,529	
TOTAL	2,40,06,197	59,76,771



PERCEPT WATERPROOFING SERVICES LIMITED
Notes forming part of financial statements.

21. Revenue From Operations

(Amount in Rs.)		
	For the year ended 31st March 2018	For the year ended 31st March 2017
Sales of Products		
Trading	2,95,75,416	3,22,78,613
Sale of Services		
Certified Revenue from Works Contract	50,94,33,175	36,70,43,092
Uncertified Revenue from Works Contract		
At end of the year	5,57,36,097	3,89,88,273
At beginning of the year	3,89,88,273	19,07,144
	1,67,47,824	3,70,81,129
TOTAL	55,57,56,415	43,64,02,834

22. Other Income

(Amount in Rs.)		
	For the year ended 31st March 2018	For the year ended 31st March 2017
Interest on:		
Bank Deposits		
Gain loss on foreign currency transactions and translation		
Other non-operating Income:	12,232	1,61,004
Insurance claim received		
Interest on Income Tax refund	2,50,838	1,89,035
TOTAL	2,63,070	3,50,039

23. Cost of Materials Consumed

(Amount in Rs.)		
	For the year ended 31st March 2018	For the year ended 31st March 2017
Inventory at the beginning of the year	4,32,68,338	4,36,66,968
Add : Purchases	31,57,44,165	22,54,57,601
	35,90,12,503	26,91,24,569
Less : Inventory at the end of the year	6,26,70,250	4,32,68,338
TOTAL	29,63,42,253	22,58,56,231

24. Purchases of Stock in Trade (Traded goods)

(Amount in Rs.)		
	For the year ended 31st March 2018	For the year ended 31st March 2017
Waterproofing, Flooring and Other Chemicals	1,72,48,375	2,65,46,029
TOTAL	1,72,48,375	2,65,46,029

25. Change in Inventories of Work in Progress

(Amount in Rs.)		
	For the year ended 31st March 2018	For the year ended 31st March 2017
Inventories at end of the year		
Work-in-Progress	38,01,748	43,33,295
(A)	38,01,748	43,33,295
Inventories at beginning of the year		
Work-in-Progress	43,33,295	1,04,88,951
(B)	43,33,295	1,04,88,951
TOTAL	5,31,547	61,55,656



PERCEPT WATERPROOFING SERVICES LIMITED
Notes forming part of financial statements.

26. Direct Man Power & Site Expenses

		(Amount in Rs.)	
		For the year ended 31st March 2018	For the year ended 31st March 2017
Manpower Cost at Sites		69,778,527	50,341,435
Site Establishment Expenses		17,018,824	12,972,178
	TOTAL	86,797,351	63,313,613

27. Employee Benefits Expense

		(Amount in Rs.)	
		For the year ended 31st March 2018	For the year ended 31st March 2017
Salaries and Wages		57,733,121	43,825,960
Contribution to Provident and Other Funds		1,073,953	1,313,735
Gratuity Expense		288,622	(171,957)
Staff Welfare Expenses		2,775,418	274,643
	TOTAL	61,871,115	45,242,381

28. Finance Costs

		(Amount in Rs.)	
		For the year ended 31st March 2018	For the year ended 31st March 2017
Interest expense on:			
Bank overdrafts and loans		5,934,317	5,239,585
Interest of delayed payments on statutory dues		607,264	
	TOTAL	6,541,581	5,239,585

29. Depreciation and Amortization Expense

		(Amount in Rs.)	
		For the year ended 31st March 2018	For the year ended 31st March 2017
Depreciation on Tangible Assets (Refer Note 3)		2,813,251	2,005,721
Amortisation on Intangible Assets (Refer Note 4)		38,585	3,089,168
	TOTAL	2,851,835	5,094,889

30. Other Expenses

		(Amount in Rs.)	
		For the year ended 31st March 2018	For the year ended 31st March 2017
Rent		4,125,528	2,779,179
Insurance		573,513	720,904
Repairs & Maintenance Expenses		846,888	608,892
Electricity Expenses		-	612,552
Advertisement and Publicity		43,195	367,915
Legal, Professional and Consultancy fees		1,583,911	1,482,830
Communication Expenses		799,306	233,416
Printing and Stationery		506,209	1,097,080
Travelling and Conveyance Expenses		5,604,290	4,907,211
Rates & Taxes Paid		391,226	198,700
Provision for Warranty Expenses (Refer Note 45)		535,364	436,758
Provision for Doubtful Debts		6,074,533	2,470,783
Payments to Auditor		371,000	208,297
Bank Charges		1,053,083	489,835
Loss on Fixed Assets Sold /Discarded (Net)		450,000	-
Miscellaneous expenses		2,195,641	5,080,092
	TOTAL	25,153,687	21,694,446



31 Income taxes relating to continuing operations

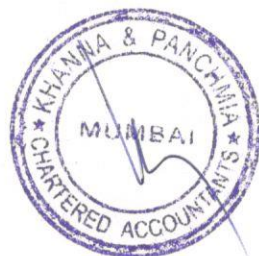
a Income tax recognised in profit or loss Year

	As at March 31, 2018	As at March 31, 2017
Current tax		
In respect of the current year	21,906,406	12,183,653
In respect of prior years	-324,642	-
	21,581,764	12,183,653
Deferred tax		
In respect of the current year	-372,115	1,301,942
	-372,115	1,301,942
Total income tax expense recognised in the current year relating to continuing operations	21,209,649	13,485,595

The income tax expense for the year can be reconciled

b to the accounting profit as follows:

	As at March 31, 2018	As at March 31, 2017
Profit before tax from operations	58,681,741	37,610,036
	34.608%	33.063%
Income tax expense calculated	20,308,577	12,435,006
Effect of expenses that are not deductible in determining taxable profit	3,525,868	537,264
Effect on deferred tax balances due to the change in income tax rate from xx% to xx% (effective [insert date])		
Effect of concession (deduction)	- 2,418,326	
Others	-206471	513,324
	21,209,649	13,485,594
Income tax expense recognised in profit or loss (relating to continuing operations)	21,209,649	13,485,594



PERCEPT WATERPROOFING SERVICES LIMITED

Notes forming part of financial statements.

32. Contingent Liabilities and Commitments

		(Amount in Rs.)	
		As at	As at
		31st March, 2018	31st March, 2017
A)	Contingent liabilities not provided for:		
	Guarantees given by Banks in favour of others	9,06,94,993	7,92,01,096
	Letter of Credit	78,84,402	
B)	Commitments:		
(a)	Estimated amount of contracts, net of advances, remaining to be executed on capital account and not provided for		
(b)	Other Commitments - Non Cancellable Operating Leases (Refer Note 37)		

33. Segment information

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

34. Earnings Per Share (EPS)

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

		(Amount in Rs.)	
		As at	As at
		31st March 2018	31st March 2017
Basic and Diluted:			
Total Operations for the year / period		3,74,72,091	2,41,24,442
Profit for the year		60,00,000	60,00,000
Weighted average number of equity shares for calculating basic and diluted EPS		10.00	10.00
Par value per share		6.25	4.02
Earning per share (Basic and Diluted)			

35. Related Party Transactions

List of Related Parties

(i) Holding Company
Pidilite Industries Ltd

Holding Company

(ii) Subsidiary Company
Nil

(iii) Key Management Personnel
a. Sudish M S

Managing Director

(iv) Significant influence by Holding Company / Director of the Company
a. NINA Waterproofing Services Ltd
b. Percept Engineers Private Ltd.
c. Nina Waterproofing Systems Pvt Ltd.
d. Building Envelope Systems India Ltd (BESI)
e. Hybrid Coatings.

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

36. Transactions with Related Parties for the year ended 31st March, 2018 are as follows :

		(Amount in Rs.)					
Nature of Transaction		Remuneration to Directors	Pidilite Industries Ltd	Percept Engineers Ltd	Nina Waterproofing Systems Pvt Ltd	BESI	Hybrid Coatings
a	Sales /Works Contact Income		7,08,285	(6,53,670) (1,34,221)	16,00,502		-
b	Business Purchase						-
c	Purchases and Other Services		26,17,11,130 (18,20,66,925)	-	1,58,54,934 (6,62,677)	34,20,997	42,75,612
d	Remuneration to Directors: Managing Director	95,07,768 (89,46,084)					
e	Outstanding Balances :						
	- Debtors including advances			16,24,127			-
	- Creditors		11,56,69,876	-	1,38,01,884	34,20,997	42,75,612
	- Net Receivable/(Payable)		(11,56,69,876)	16,24,127	(1,38,01,884)	34,20,997	(42,75,612)



37. Employee Benefits

General description of defined benefit plans :

Gratuity

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

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

Interest risk

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

Longevity risk

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

Salary risk

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

Defined benefit plans – as per actuarial valuation

(Amount in Rs.)

Particulars	31st March 2018	31st March 2017
Change in the present value of defined benefit obligation		
1 Present value of defined benefit obligation at the beginning of the year	631,766.00	273,637.00
2 Obligation as per BTA		
3 Current service cost	291,333.00	164,983.00
4 Interest cost/income	42,895.00	20,215.00
5 Remeasurements (gains)/ losses included in OCI		
Actuarial (gains)/ losses arising from changes in demographic assumption	293,219.00	-
Actuarial (gains)/ losses arising from changes in financial assumption	(169,460)	22,238.00
Actuarial (gains)/ losses arising from changes in experience adjustment	148,489.00	150,693.00
6 Past Service cost		
7 Benefits paid	0	0
8 Present value of defined benefit obligation at the end of the year	1,238,242.00	631,766.00

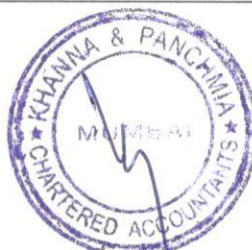
Change in fair value of plan assets during the year		
1 Fair value of plan assets at the beginning of the year	-	-
2 Interest income	-	-
3 Contribution by employer	-	-
4 Benefits paid	-	-
5 Remeasurements (gains)/ losses included in OCI	-	-
6 return on plan assets excluding interest income	-	-
7 Fair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

Net Asset/(Liability) recognised in the Balance Sheet as at		
1 Present value of defined benefit obligation as at 31st March	1,238,242.00	631,766.00
2 Fair value of plan assets as at 31st March	-	-
3 Surplus/(Deficit)	1,238,242.00	631,766.00
4 Current portion of the above	3,348.00	1,900.00
5 Non current portion of the above	1,234,894.00	629,866.00

Actuarial assumptions		
1 Discount rate	7.4%	7.4%
2 Attrition rate	21%	21%
3 Salary Escalation	6.5%	6.5%

Expense recognised in the Statement of Profit and Loss for the year ended		
1 Current service cost	291,333.00	164,983.00
2 Interest cost on benefit obligation (Net)	42,895.00	20,215.00
3 Total expenses included in employee benefits expense	334,228.00	185,198.00

Recognised in other comprehensive income for the year		
1 Actuarial (gains)/ losses arising from changes in demographic assumption	293,219.00	-
2 Actuarial (gains)/ losses arising from changes in financial assumption	- 169,460.00	22,238
3 Actuarial (gains)/ losses arising from changes in experience adjustment	148,489.00	150,693.00
4 Return on plan asset	-	-
5 Recognised in other comprehensive income	272,248.00	172,931



Notes forming part of financial statements.

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

	(Amount in Rs.)	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(i) Principal amount remaining unpaid to any SME supplier as at the end of the accounting year	3,74,417.00	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year		
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day		
(iv) The amount of interest due and payable for the year		
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year		
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid		
TOTAL	3,74,417.00	-

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

39. Details of Payments to Auditor

	(Amount in Rs.)	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Audit fees	1,50,000	1,50,000
Tax Audit Fee	50,000	50,000
Other Services:		
Certification Fees	1,71,000	8,297
	3,71,000	2,08,297

40. Provision for Warranty expense

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

The movement of provision for warranty is as follows:

Particulars	(Amount in Rs.)	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Balance as at Beginning of the year	8,52,386	4,15,628
Non Current	7,25,585	3,74,065
Current	1,26,801	41,563
Addition	5,35,364	4,36,758
Utilisation		
Reversal (withdrawn as no longer required)		
Balance as at Closing of the year	13,87,750	8,52,386
Non Current	13,87,750	7,25,585
Current		1,26,801

41 Merger with NINA Waterproofing Systems Pvt.Ltd

The Board of Directors of the Company at its meeting held on August 16, 2017 has considered and approved the proposed Scheme of Amalgamation ("Scheme") under Section 230 to 232 and other applicable provisions, of the Companies Act, 2013 between the company and Nina Waterproofing System Private Limited (Nina), in terms of which company will get merged with NINA on going concern basis with effect from April 1, 2017 (appointed date). The Company and Nina are both subsidiaries under common control of the Holding Company i.e. Pidilite Industries Limited. The Scheme is subject to the approval of the National Company Law Tribunal (NCLT) and other statutory authority. Pending approval of the NCLT and other statutory approvals, no effect of the proposed Scheme has been given in the standalone financial statements of the company for the financial year ended March 31, 2018.

The said scheme with appointed date as 1st April, 2017 of merger by absorption, envisages transfer of all assets and liabilities and other undertakings of the company to Nina and issuance of shares by Nina in the ratio of 3:100 to the shareholders of Percept.

42 Approval of financial statements

The financial statements were approved for issue by the board of directors on 7th May, 2018.



43 Financial Instrument

1 Capital Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debts (borrowing detailed in note 17 offset by cash and bank balances in note 10) and total equity of the Company.

Gearing ratio

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

	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Debts	7,10,03,376	5,82,70,271	3,07,04,551
Cash and Bank balances	98,721	88,634	49,129
Net Debts	7,11,02,097	5,83,58,905	3,07,53,680
Total Equity	13,80,13,279	10,07,14,202	10,07,14,202
Net Debts to Equity Ratio	51.5%	57.9%	30.5%

2 Categories of financial instruments

	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Financial assets			
Measured at amortised cost			
Cash and bank balances	98,721	88,634	49,129
Other financial assets at amortised cost (including trade receivables)	33,75,78,119	26,48,95,986	16,79,47,737
Financial liabilities			
Measured at amortised cost (including trade payables)	26,46,37,026	22,27,98,631	14,80,21,082

3 Financial risk management objectives

Liquidity risk management

Liquidity risk refers to the risk that the Company will encounter difficulty in meeting its financial obligation as they fall due. The company financial liabilities as on 31st March 2017 are sufficiently covered by the financial assets

Credit risk management

Credit risk refers to risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has big reputed corporate as customer based due to which credit risk is very less. Significant portion of the Company's financial assets as at 31st March 2018 comprise of trade receivable, retention money receivable and unbilled revenue which are held with reputed and credit worthy reputed corporate customers.

4 Market risk

The Company's activities expose it primarily to the financial risk of changes in foreign currency exchange rates (see note 5 below).

5 Foreign currency sensitivity analysis

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

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Particulars	FC value in Foreign Currency			FC value in INR		
	31st March 2018	31st March 2017	1st April 2016	31st March 2018	31st March 2017	1st April 2016
Amounts payable in foreign currency on account of the following:						
EUR	1,24,168	1,29,510	38,781	99,88,878	89,39,708	29,25,048
AED			7,639		-	1,37,897
USD		15,246	-		9,88,160	-

The Company is mainly exposed to the USD and EUR.

The following table details the Company's sensitivity to a 10% increase and decrease against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates.

	USD impact		
	2017-18	2016-17	As at April 1, 2016
Impact on profit or loss for the year (i)	0	98,816	-

	EUR impact		
	2017-18	2016-17	As at April 1, 2016
Impact on profit or loss for the year (ii)	998887.15	8,93,971	2,92,505.00

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

(ii) This is mainly attributable to the exposure to outstanding Euro payables at the end of the reporting period.

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

Fair value of the Company's financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

Particulars	31st March 2018		31st March 2017		1st April 2016	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets						
Financial assets carried at Amortised Cost						
Inventories	6,64,71,999	6,64,71,999	4,76,01,634	4,76,01,634	5,41,55,920	5,41,55,920
Trade receivables	21,13,03,004	21,13,03,004	17,52,03,565	17,52,03,565	10,86,76,483	10,86,76,483
Loans	1,38,953	1,38,953	31,02,514	31,02,514	32,08,190	32,08,190
Uncertified Revenue from Works Contract	5,96,64,163	5,96,64,163	3,89,88,273	3,89,88,273	19,07,144	19,07,144
Fixed Deposits with Bank (Under Lien)						
Interest Accrued on Deposit with Bank						
Retention Monies Receivable	3,98,72,720	3,98,72,720	2,22,69,993	2,22,69,993	1,61,96,892	1,61,96,892
Total	37,74,50,839	37,74,50,839	28,71,65,978	28,71,65,978	18,41,44,629	18,41,44,629
Financial liabilities held at amortised cost						
Current borrowings	7,10,03,376	7,10,03,376	5,82,70,271	5,82,70,271	3,07,04,551	3,07,04,551
Trade payables	17,33,75,075	17,33,75,075	13,73,34,511	13,73,34,511	10,52,47,809	10,52,47,809
Other Liabilities	2,02,58,574	2,02,58,574	2,71,93,849	2,71,93,849	1,20,68,722	1,20,68,722
Total	26,46,37,026	26,46,37,026	22,27,98,631	22,27,98,631	14,80,21,082	14,80,21,082



44 Taxes**Deferred Tax****a 2017- 2018**

Deferred tax assets/(liabilities) in relation to:

	Opening Balance	Recognised in Profit and Loss	Recognised in other Comprehensive Income	Closing balance
Fixed Assets	5,500,699	579,875		6,080,574
Provision for doubtful debts	-816,915	-951,989		-1,768,904
Total	4,683,784	-372,114	-	4,311,670

b 2016- 2017

Deferred tax assets/(liabilities) in relation to:

	Opening Balance	Recognised in Profit and Loss	Recognised in other Comprehensive Income	Closing balance
Fixed Assets	4,016,732	1,483,967		5,500,699
Provision for doubtful debts	- 634,890	-182,025		-816,915
Total	3,382,151	1,301,942	-	4,683,784

45 Event after reporting period

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

