



Oriental Veneer Products Ltd.

CIN of the Company: L02005MH1991PLC060686

Corporate Office: 16, Mascarenhas Road, Mazgaon, Mumbai – 400 010.

Tel : +91 22 6138 9400 . Fax: 6138 9401 . Email: compliance.ovpl@gmail.com . Website: www.ovpl.co.in

September 10, 2018

BSE Limited
Department of Corporate Services
Floor 25, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001

Scrip Code- 531859

Dear Sir,

Sub: Annual Report 2017-18

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Please find enclosed herewith Annual Report of Oriental Veneer Products Limited ("Company") for the financial year 2017-18 duly adopted by the members of the Company at the Annual General Meeting of the Company held on August 23, 2018.

This is for your information and record.

Thanking You.

Yours Truly,

For Oriental Veneer Products Limited

Priya Bhagat
Company Secretary



Encl: A/a.



Oriental Veneer Products Ltd.

**27 th
Annual Report
2017 - 2018**

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CORPORATE INFORMATION

Board of Directors

Executive Directors

Mr. Saleh Mithiborwala
Chairman & Chief Financial Officer

Mr. Karim Mithiborwala
Managing Director

Mr. Vali Mithiborwala
Executive Director

Independent Directors

Mr. Mustufa Pardawala

Mr. Suresh Mane

Mrs. Deepa Raut

Company Secretary

Ms. Priya Bhagat

Statutory Auditors

M/s. Amar Nath Sharma & Co.
Chartered Accountants
834, IJMIMA Complex, Link Road,
Malad (West), Mumbai-400064.

Secretarial Auditors

Mr. Mohd. Akram
Practising Company Secretary

Registrar & Share Transfer Agent

Adroit Corporate Services Private Limited
17-20, Jafferbhoy Industrial Estate,
Makhwana Rd, Marol, Andheri East,
Mumbai-400059.

Registered Office & Plant Locations

Aghai (Via) Kalyan Railway Station,
Thane-421301, Maharashtra, India.

Corporate Office

16, Mascarenhas Road, Mazgaon,
Mumbai 400010, Maharashtra, India.

Subsidiary Companies

Oriental Foundry Private Limited

Shop No.17, Rizvi Park Co-Operative
Housing Society, E Wing, S. V. Road,
Santacruz (W), Mumbai-400054,
Maharashtra, India.

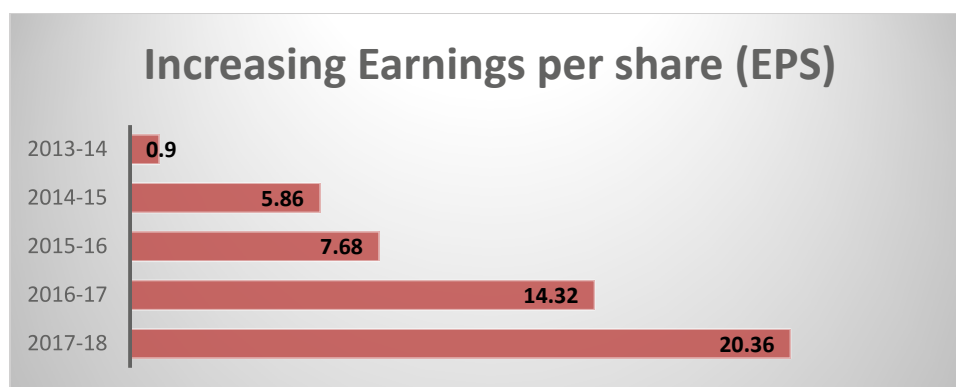
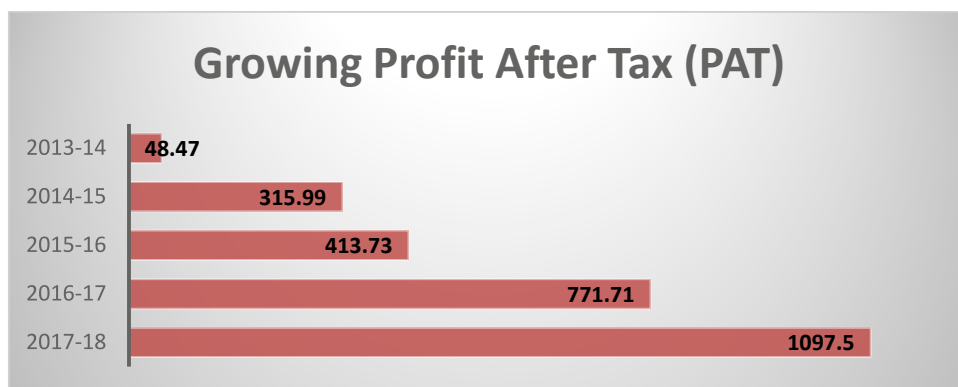
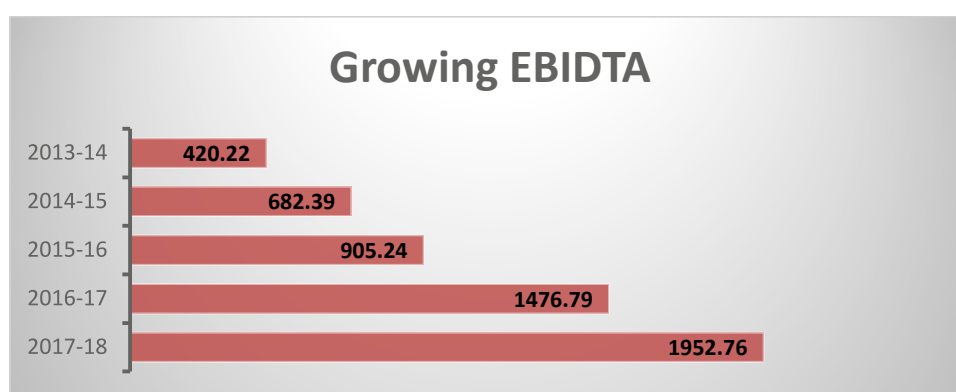
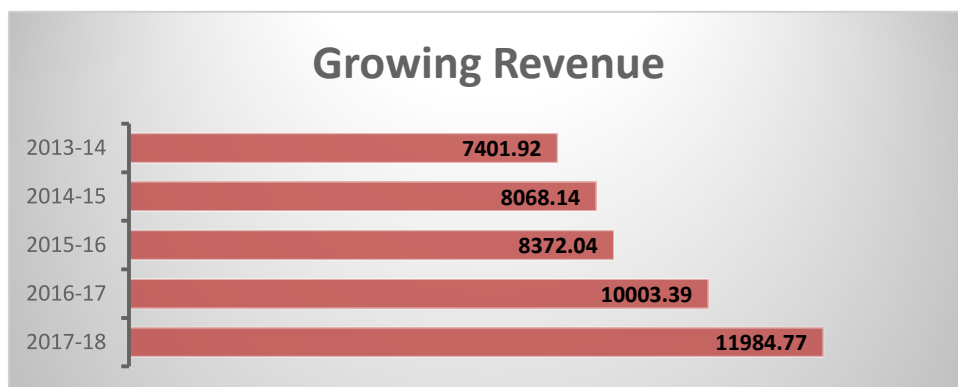
Bankers

The Saraswat Co-op Bank Ltd.

The Shamrao Vithal Co-op Bank Ltd.

HDFC Bank Ltd.

STANDALONE FINANCIAL HIGHLIGHTS



(₹ in Lakhs, except EPS)

FROM THE EXECUTIVE CHAIRMANS' DESK

Dear Shareholders,

It gives me a great pleasure to present before you another set of good numbers with a few highest ever in your Company's history, in the face of a challenging business environment.

Your company has reported 'highest' on various parameters, that is, Revenue, EBIDTA and Profit after Tax.

Committed to Deliver

I am happy to share that our performance reflects the inherent fundamental strengths of our business. On a Standalone basis, the Company achieved Total Revenue of ₹ 11,984.77 Lakhs as against ₹ 10,003.39 Lakhs in the previous year, thereby registering a growth of 19.81%. EBIDTA for the year under review was ₹ 1952.76 Lakhs, representing a growth of 32.23%. The net profit for the year ended March 31, 2018 increased from ₹ 771.71 Lakhs to ₹ 1097.50 Lakhs, showing a remarkable growth of 42.22%.

The consolidated Total Revenues enhanced to ₹ 13,499.89 Lakhs in 2017-18 as against ₹ 10,573.32 Crores in previous year, resulting in a growth of 27.68%. Net profit for FY 2017-18 stood at ₹ 1164.62 Lakhs and Earnings Per Share at ₹ 21.61.

Dividend

The Board has recommended final dividend @20% (i.e. ₹ 2 per equity share of face value of ₹ 10/- each) for

the year 2017-18 subject to approval of members.

Capacity Expansion

Innovation cannot be an end in itself. It has to reach customers across geographies and fulfill their needs. To meet the growing demand for innovative products from our customers, we have aggressively focused on scalability. During the year, the company has set up a Silicone Foam plant with an expenditure of ₹ 65 Lakhs having capacity of ₹ 15 Lakhs/kg per annum, in the existing factory premises of the company at Aghai, Kalyan. The foam is an another variant of seat & berth used by Indian Railways.

Way Forward

As the Indian railway is the largest buyer of the Company's product, any change in policies of Indian Railways whether positive or negative, has a direct impact on the Company's business. The Government of India has focused on investing on railway infrastructure by making investor-friendly policies. It has moved quickly to enable Foreign Direct Investment (FDI) in railways to improve infrastructure for freight and high-speed trains. Government of India's focus on infrastructure is a major factor which will accelerate growth of Railway Industry.

The future of the industry looks promising as the total capital and development expenditure of Railways

has been pegged at ₹ 1.48 Lakh crores in the Budget 2018-19.

Our Focus of engaging deeply with our customers has helped us to continuously outpace the industry. Going forward, we will continue to focus on cost efficiencies, quality control, market penetration and technology upgradation. We will also concentrate on expanding the value-added product portfolio by focusing more on innovation in line with changing aspirations of society.

Acknowledgments

Overall, it was another year of sustained high performance with considerable achievements across our business. None of this would have been possible without the dedication and determination of our people. I would like to thank each and every employee and those working with us across the value chain for their commitment and service to the Company.

Many Thanks
Saleh Mithiborwala

BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting the 27th Annual Report on the business and operations of your Company together with the audited financial statements and the Auditors' Report for the financial year ended March 31, 2018.

(₹ in Lakh, except EPS)

Particulars	Standalone		Consolidated	
	2017-18	2016-17*	2017-18	2016-17*
Total Revenue	11984.77	10003.39	13499.89	10573.32
EBIDTA	1952.76	1476.79	2147.23	1753.94
Less: Finance Cost	167.87	176.42	271.49	331.16
Less: Depreciation	94.78	97.85	253.32	254.33
Profit before Tax	1690.11	1202.52	1622.42	1168.45
Tax Expenses	592.60	430.81	457.80	396.08
Net Profit	1097.50	771.71	1164.62	772.37
Other comprehensive income (net of tax)	-	(48.47)	-	(48.47)
Total Comprehensive income	-	723.24	-	723.90
Basic & Diluted EPS (in `)	20.36	13.42	21.61	13.43

Operational and Financial Performance Overview

During the Financial year 2017-18, On a standalone basis, Revenue from Operations increased to ₹ 11,769.53 Lakhs as against ₹ 9,811.72 Lakhs in the previous year, resulting in a growth of 19.95%. EBIDTA for the year under review was ₹ 1952.76, representing a growth of 32.23%. The Profit After Tax for the current year is ₹ 1097.50 Lakhs against ₹ 771.71 Lakhs, showing a remarkable growth of 42.22%.

On a consolidated basis, the group achieved Revenue from Operations of ₹ 13,268.61 Lakhs as against ₹ 10,379.43

Lakhs in the previous year, thereby registering a growth of 27.84%. EBIDTA during the year has shown a growth of 22.42%. The Net Profit After Tax during year under review increased from ₹ 772.37 Lakhs to ₹ 1164.62 Lakhs, registering a growth of 50.79%.

The Earnings per share improved from ₹ 13.43 in the previous year 2016-17 to ₹ 21.61 in the current year on a consolidated basis.

Dividend

During the year under review, your Directors are pleased to recommend final dividend @ 20% (₹ 2/- per equity share of ₹ 10/- each) for the approval of shareholders at the ensuing Annual General Meeting. If approved, the total dividend payout for the year under review will be 20% amounting to ₹ 129.76 Lakh (including dividend distribution tax).

Share Capital

During the year under review, there was no change in equity share capital of the Company. Your Company has not issued any equity shares with differential voting rights or sweat equity shares. Further, your Company does not have any Employee Stock Option Scheme or Employee Stock Purchase Scheme.

Adoption of Indian Accounting Standards

In accordance with the notification issued by the Ministry of Corporate Affairs (MCA), your Company is required to prepare financial statements under Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act,

2013 read with rule 3 of the Companies (Indian Accounting Standards Rules, 2015) and Companies (Indian Accounting Standards) Amendment Rules, 2016 with effect from April 01, 2017. Ind AS has replaced the existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013, read with rule 7 of Companies (Accounts) Rules, 2014.

Accordingly, your Company has adopted Indian Accounting Standard ("Ind AS") with effect from April 01, 2017 with the transition date of April 01, 2016 and the Financial Statements for the year ended March 31, 2018 have been prepared in accordance with Ind AS. The financial statements for the year ended March 31, 2017 have been restated to comply with Ind AS to make them comparable.

The MCA notification also mandates that Ind AS shall be applicable to Indian Subsidiary Companies, Joint Venture or Associates of the Company. Hence, your Company and its Indian Subsidiaries have prepared and reported financial statements under Ind AS w.e.f. April 01, 2017, including restatement of the opening balance sheet as at April 01, 2016.

The effect of the transition from IGAAP to Ind AS has been explained by way of reconciliation in the Standalone and Consolidated Financial Statements.

Consolidated Financial Statements

The Consolidated Financial Statements of the Company are prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 and forms part of this Annual Report.

A copy of the Audited Financial Statements of the Subsidiaries shall be made available for inspection at the Registered Office of the Company during business hours on any working day upto

the Annual General Meeting. Any shareholder interested in obtaining a copy of separate Financial Statements of the subsidiaries shall make specific request in writing to the Company Secretary. The Audited Financial Statements of the subsidiaries are also available on the website of the Company at www.ovpl.co.in.

Subsidiaries

As on March 31, 2018, the Company has 1 Wholly Owned subsidiary namely Oriental Foundry Private Limited. The Company does not have any Associate Company pursuant to the provisions of the Companies Act, 2013.

As on March 31, 2018, turnover stood at ₹ 1657.48 Lakhs and the Company incurred a profit of ₹ 67.11 Lakhs.

Pursuant to the provisions of Section 129 (3) of the Companies Act, 2013 and Rules 5 and 8(1) of the Companies (Accounts) Rules, 2014, the salient features of financial position of subsidiary is given in Form AOC-1 set out as "Annexure 1" to this Report.

The Company has framed a policy for determining material subsidiaries, which can be accessed at <http://www.ovpl.co.in/companydetails/Policy%20of%20Material%20Subsidiaries.pdf>.

Directors and Key Managerial Personnel

At the Annual General Meeting of the Company held on September 27, 2017, Mr. Saleh N. Mithiborwala, Executive Chairman and Chief Financial Officer and Mr. Karim N. Mithiborwala, Managing Director were re-appointed for a period of five years w.e.f. January 01, 2018. Mr. Vali N. Mithiborwala, Executive Director was appointed for a period of five years w.e.f. August 18, 2018.

Pursuant to the provisions of Section 152 of Companies Act 2013, Mr. Vali Mithiborwala (DIN: 00171255), Executive Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for the re-appointment. The Board recommends his re-appointment for consideration of the members at the ensuing Annual General Meeting. Members are requested to refer the Notice of the ensuing Annual General Meeting for brief profile and other related information of Mr. Vali Mithiborwala, Director retiring by rotation.

All the Independent Directors of the Company have given declarations that they meet the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 and Regulation 16 (1) (b) of the Listing Regulations.

In terms of Section 203 of the Companies Act, 2013, as on March 31, 2018, Mr. Saleh N Mithiborwala, Chief Financial Officer, Mr. Karim N Mithiborwala, Managing Director, Mr. Vali N. Mithiborwala, Executive Director and Ms. Priya Bhagat, Company Secretary are Key Managerial Personnel (KMP) of the Company.

Number of Board Meetings

During the year under review, Six (6) Board Meetings were held viz on May 26, 2017, August 18, 2017, September 14, 2017, December 14, 2017, January 24, 2018 and March 20, 2018. The maximum interval between any two Board meetings did not exceed 120 days.

Company's Policy on Appointment and Remuneration of Directors

Your Company has adopted Nomination and Remuneration Policy for the appointment and remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The

Nomination and Remuneration Policy is given in the Corporate Governance Report.

Annual Evaluation of Board Performance and its Committee and Directors

Criteria of performance evaluation of the Board of Directors including Independent Directors are laid down by the Nomination and Remuneration Committee of the Company. Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out performance evaluation of its own, evaluation of working of the committees and performance of all Directors based on the parameters specified in the Corporate Governance Report. A structured questionnaire containing the parameters of performance evaluation was circulated to all the Directors. A separate meeting of Independent Directors of the Company was held on August 18, 2017 in which Independent Directors inter-alia reviewed performance of Executive Chairman and other Non-Independent Directors. The Board expressed their satisfaction with the evaluation process.

Directors' Responsibility Statement

Pursuant to the provisions of Section 134 (3) (c) of the Companies Act, 2013, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, state and confirm that:

1. in the preparation of the annual financial statements for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. such accounting policies as mentioned in the notes to the Financial Statements for the year ended March