



Duroply Industries Limited

(Formerly: Sarda Plywood Industries Limited)
113 Park Street, North Block 4th Floor
Kolkata-700016, Ph.: (033) 22652274



Ref: 5404/1179

August 23, 2019

Bombay Stock Exchange Ltd.
Corporate Relationship Department
Rotunda Building, 1st Floor
New Trading Ring, P.J. Towers
Dalal Street, Mumbai - 400 001

Scrip Code : BSE : 516003

Dear Sir,

Sub: Annual Report 2018-19

In compliance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Annual Report of the Company for the financial year 2018-19 for your intimation and records please.

Thanking you,

Yours faithfully,
For DUROPLY INDUSTRIES LIMITED

[RAVI KUMAR MURARKA]
CFO & Company Secretary

Toll Free: 1800-345-3876 (DURO) | E-Mail: corp@duroply.com | Website: www.duroply.in

Find us on: duroplyindia

Regd. Office: 9, Parsee Church Street, Kolkata-700001 • CIN: L20211WB1957PLC023493



DUROTM

62nd
ANNUAL
REPORT
2018-19

Duroply Industries Limited



STYLES CHANGE.
DUROBILITY REMAINS.



1960's



1990's



2020's

Be it the changing styles of furniture or the modernization of techniques, Duroply has seen it all. Founded in 1957, it has been a part of a timeless journey of furniture-making, giving solid support to the design demands of each decade.

Being crafted with expertise and maintaining its quality benchmarks, it has always stood the test of time, living up to the **promise of Durobility**.



Duroply Industries Limited
(Formerly: Sarda Plywood Industries Ltd.)



Duroply Industries Limited

(Formerly Sarda Plywood Industries Ltd.)

Board of Directors

Shri Sujit Chakravorti
Dr. Kali Kumar Chaudhuri
Smt. Sheela Chitlangia
Shri Ratan Lal Gaggar
Shri Probir Roy
Shri Sohan Lal Yadav

Shri Sudeep Chitlangia
Managing Director

Chief Financial Officer & Company Secretary

Shri Ravi Kumar Murarka

Bankers

United Bank of India
State Bank of India

Auditors

S. K. Agrawal And Co.
Chartered Accountants

Registered Office

9, Parsee Church Street, Kolkata – 700 001
CIN : L20211WB1957PLC023493

Corporate Office

North Block, 4th Floor
113 Park Street, Kolkata – 700 016

CONTENTS

	Page Nos.
Notice	: 2-11
Directors' Report	: 12-39
Financial Statements	
Auditors' Report	: 40-47
Balance Sheet and Statement of Profit & Loss Account	: 48-49
Statement of Change in Equity and Cash Flow Statement	: 50-51
Notes to Accounts	: 52-86
Proxy Form	: 87



Notice to the Members

NOTICE is hereby given that the 62nd Annual General Meeting of DUROPLY INDUSTRIES LIMITED will be held at the Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata – 700 017 on Wednesday, the 25th September 2019 at 11.00 A.M to transact the following businesses:

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2019 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Smt. Sheela Chitlangia (DIN: 00174354) who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS

3. Re-appointment of Mr. Ratan Lal Gaggar as an Independent Non-Executive Director

To consider, and if thought fit, to pass, the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Ratan Lal Gaggar (DIN: 00066068), Independent Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for second term of five consecutive years with effect from 1st April, 2019 to 31st March, 2024 and whose office shall not be liable to retire by rotation”.

4. Re-appointment of Mr. Probir Roy as an Independent Non-Executive Director

To consider, and if thought fit, to pass, the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Probir Roy (DIN: 00033045), Independent Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for second term of five consecutive years with effect from 1st April, 2019 to 31st March, 2024 and whose office shall not be liable to retire by rotation”.

Notice (Contd.)

5. **Re-appointment of Mr. Sujit Chakravorti as an Independent Non-Executive Director**

To consider, and if thought fit, to pass, the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Sujit Chakravorti (DIN: 00066344), Independent Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for second term of five consecutive years with effect from 1st April, 2019 to 31st March, 2024 and whose office shall not be liable to retire by rotation”.

6. **Re-appointment of Mr. Kali Kumar Chaudhuri as an Independent Non-Executive Director**

To consider, and if thought fit, to pass, the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Kali Kumar Chaudhuri (DIN: 00206157), Independent Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for second term of five consecutive years with effect from 1st April, 2019 to 31st March, 2024 and whose office shall not be liable to retire by rotation”.

By order of the Board

RAVI KUMAR MURARKA
Chief Financial Officer
& Company Secretary
ACS-20659

Date: 30th May, 2019
Place: Kolkata



Notice (Contd.)

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM MUST REACH TO THE COMPANY'S REGISTERED OFFICE AT LEAST 48 HOURS PRIOR TO THE TIME OF HOLDING THE MEETING.
2. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE PAID UP CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE PAID UP CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
3. Corporate members intending to send their authorized representative to attend the meeting are requested to send to the Company a certified copy of the Board Resolution or Power of attorney authorizing their representative to attend and vote on their behalf at the meeting.
4. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and the Share Transfer Books of the Company shall remain closed from 18th September, 2019 to 25th September, 2019 (both days inclusive).
5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting of the Company.
6. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting of the Company.
7. Members are requested to intimate change in their addresses, if any, to the Registrar and Share Transfer Agent(s) in respect of equity shares held in physical mode and to their Depository Participant(s) in respect of shares held in dematerialised form.
8. SEBI and Ministry of Corporate Affairs encourages paperless communication as a contribution to Green Environment. Members holding shares in physical mode are requested to register their e-mail id to the RTA for receiving all communications including annual reports, notices, circulars etc. from the company electronically.
9. Pursuant to section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nomination in prescribed form SH-13 with the RTA. In respect of shares held in Electronic/Demat form, members may please contact their respective Depository Participant(s).
10. Copies of Annual Report 2018-19 are being sent by electronic mode only to the Members whose email address is registered with the Company/ Depository Participant(s) for communication purpose unless any Member has requested for a hard copy of the same. For Members who have not registered their email address, physical copies of the Annual Report 2018-19 are being sent by the permitted mode.

Notice (Contd.)

11. Members may also note that the Notice of the Annual General Meeting and the Annual Report 2018-19 will be available on the Company's website, www.duroply.in. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days.
12. Additional information pursuant to SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 (hereinafter referred as "SEBI Regulations") in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting is furnished and forms a part of the Notice. The Directors have furnished the requisite consents/ declarations for their appointment/re-appointment.
13. The Securities Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Registrar and Share Transfer Agent(s) of the Company.
14. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring with them their copy of the Annual Report at the Annual General Meeting of the Company.
15. Members/Proxies are requested to bring the Attendance Slips with them duly filled in and hand over the same at the entrance of the meeting hall. Members/Proxies are also requested to carry photo identity card and to produce the same on demand.
16. Members/Proxies are requested to reach the venue well in advance and to complete registration formalities before the time fixed for start of the meeting.
17. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management & Administration) Rules, 2014, as amended from time to time and SEBI Regulations, the Company is pleased to provide its Members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 62nd Annual General Meeting by electronic means and the business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL). The Board of Directors of the Company has appointed Mr. A. K. Labh, Practicing Company Secretary (FCS-4848) as the Scrutinizer for conducting remote e-voting at the Annual General Meeting in a fair and transparent manner.

The Instructions for Members for Remote E-voting are as under:

- I. The voting period begins on 22nd September, 2019 at 10.00 A.M. and ends on 24th September, 2019 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 18th September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- II. Members holding shares in physical or demat form as on 18th September, 2019 shall only be eligible for remote e-voting.
- III. Those who becomes Members of the Company after dispatch of AGM Notice but on or before 18th September, 2019 (Cut-off date) may obtain the login ID and password by sending a request to the Registrar & Share Transfer Agent at mdpldc@yahoo.com or to the Company at investors@duroply.com. However, those already registered with CDSL for remote e-voting can use their existing user Id and password for Login.

Notice (Contd.)

- IV. The shareholders should log on to the e-voting website www.evotingindia.com.
- V. Click on “Shareholders”
- VI. Now Enter your User ID:
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- VII. Next enter the Image Verification as displayed and Click on Login.
- VIII. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- IX. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format. OR</p> <p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p>
Dividend Bank Details	<ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (VI)

- X. After entering these details appropriately, click on “SUBMIT” tab.
- XI. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- XII. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

Notice (Contd.)

- XIII. Click on the EVSN for the Duroply Industries Limited.
- XIV. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the Resolution.
- XV. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- XVI. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- XVII. Once you ‘CONFIRM’ your vote on the resolution, you will not be allowed to modify your vote.
- XVIII. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- XIX. If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XX. Shareholders can also cast their vote using CDSL’s mobile app ‘m-Voting’. The m-Voting app is available for Android, Apple and windows phone users and can be downloaded from Google Play Store, App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- XXI. Note for Non-Individual Shareholders and Custodians
- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- XXII. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE
COMPANIES ACT, 2013**

Item Nos. 3, 4, 5 & 6

Shri Ratan Lal Gaggar, was appointed as an Independent Director at the 57th Annual General Meeting of the Company held on 25th September, 2014 for a period of five years by way of ordinary resolution. He has attained the age of 75 years. Shri Rata Lal Gaggar has rich experience in lawsuits and arbitration and has over five decades of experience as a Solicitor and Advocate. He is a noted Practicing Lawyer from the High Court in Kolkata. Mr.Gaggar holds a B.A. (Hons) from Calcutta University and LL.B.

Shri Sujit Chakravorti was appointed as an Independent Director at the 57th Annual General Meeting of the Company held on 25th September, 2014 for a period of five years by way of ordinary resolution. He has attained the age of 75 years. He has vast and considerable experience in Finance, Accounts, Administration and Corporate Management. He is a M. Com., Fellow member of the Institute of Chartered Accountants of India and the Institute of Cost & Works Accountants of India.

Shri Probir Roy, was appointed as an Independent Director at the 57th Annual General Meeting of the Company held on 25th September, 2014 for a period of five years by way of ordinary resolution, He has attained the age of 75 years. He holds M.Sc. in Chemistry from Jadavpur University; B.Sc. in Chemical Engineering from London University and M.B.A from Leeds University.

Dr. Kali Kumar Chaudhuri was appointed as an Independent Director of the Company at the 57th Annual General Meeting of the Company held on 25th September, 2014 for a period of five years by way of ordinary resolution. He has served as Dean of the MBA programme at the Indian Institute of Social Welfare and Business Management under Calcutta University for more than fifteen years. Dr. Chaudhuri served as Research Fellow and Research Assistant in Indian Institute of Management, Calcutta. He has attended professional trainings in the Tata Institute of Social Sciences, Mumbai and Council for Social Development, Delhi and Institute of Directors, Delhi. Dr. Chaudhuri has a Master degree in Science and a Doctorate in Anthropology from the Calcutta University.

The above mentioned Independent and Non-Executive Directors are experts in their respective fields and their experience and valuable guidance is beneficial to the Company.

The Directors propose re-appointment of all the above directors as an Independent Non-Executive Directors of the Company to hold office for second term of five consecutive years with effect from 1st April, 2019 to 31st March, 2024 and whose office shall not be liable to retire by rotation, for your approval.

No Director is interested or concerned in the above resolutions.

Notice (Contd.)

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT
THE ANNUAL GENERAL MEETING OF THE COMPANY**

Particulars	Shri Ratan Lal Gaggar	Shri Sujit Chakravorti	Shri Probir Roy	Dr. Kali Kumar Chaudhuri
Date of Birth	01.12.1932	13.09.1943	19.04.1944	18.09.1945
Date of Appointment on the Board	28.06.1976	27.09.2002	09.05.2011	24.01.2006
Qualification	B.A. (Hon's), LLB	M.Com., F.C.A., F.I.C.W.A., F.I.C.A.	M.Sc., B.S., MBA	M.Sc. Phd.
Expertise in Specific functional area	Solicitor & Advocate	Finance, Accounts, Administration & Corporate Management	Arbitration	Business Management
Terms and Conditions of Appointment	Independent Director, not liable to retire by rotation	Independent Director, not liable to retire by rotation	Independent Director, not liable to retire by rotation	Independent Director, not liable to retire by rotation
Number of Board meetings attended out of five Board meetings held during the year	4	5	5	5
Last drawn remuneration details	Nil	Nil	Nil	Nil
Directorship held in other Public Companies	1. TIL Ltd. 2. Paharpur Cooling Towers Ltd. 3. Sumedha Fiscal Services Ltd. 4. Machino Polymer Ltd. 5. Subhash Kabini Power Corporation Ltd. 6. International Combustion (India) Ltd. 7. Machino Plastics Ltd. 8. Shree Cement Ltd. 9. Mayfair Hotels & Resorts Ltd.	1. Deepak Industries Ltd. 2. Durgapur Chemicals Ltd. 3. Infusion (India) Ltd. 4. WEBFIL Ltd.	1. Metro Diary Ltd. 2. East India Pharmaceutical Works Ltd. 3. Keventor Agro Ltd. 4. Industrial and Prudential Investment Co. Ltd. 5. Vikram Solar Ltd.	1. Manaksia Ltd. 2. Manaksia Coated Metals & Industries Ltd. 3. Manaksia Steels Ltd. 4. Manaksia Aluminium Co. Ltd. 5. Mark Steels Ltd. 6. BKM Industries Ltd.

Notice (Contd.)

Particulars	Shri Ratan Lal Gaggar	Shri Sujit Chakravorti	Shri Probir Roy	Dr. Kali Kumar Chaudhuri
Committee membership/ Chairmanship held in other Companies	<p>Chairman</p> <ol style="list-style-type: none"> 1. TIL Ltd.- Remuneration Committee 2. Paharpur Cooling Towers Ltd. – Selection Committee & Remuneration Committee 3. Shree Cement Ltd. – Nomination cum Remuneration Committee & Stakeholder’s Relationship Committee <p>Member</p> <ol style="list-style-type: none"> 1. TIL Ltd.- Audit Committee & Share transfer Committee 2. Shree Cement Ltd. – Audit Committee 3. International Combustion (India) Ltd. – Audit Committee & Remuneration Committee 4. Paharpur Cooling Towers Ltd. – Audit Committee & Management Committee 5. Subhash Kabini Power Corporation Ltd. – Audit Committee & Nomination and Remuneration Committee 	<p>Chairman</p> <ol style="list-style-type: none"> 1. WEBFIL Ltd. – Corporate Social Responsibility Committee, Stakeholders Relationship Committee & Nomination and Remuneration Committee <p>Member</p> <ol style="list-style-type: none"> 2. Deepak Industries Ltd. – Stakeholders Relationship Committee, Nomination and Remuneration Committee & Corporate Social Responsibility Committee 	<p>Chairman</p> <ol style="list-style-type: none"> 1. East India Pharmaceutical Works Limited - Audit Committee <p>Member</p> <ol style="list-style-type: none"> 1. Metro Diary Limited - Audit Committee 2. Keventor Agro Limited - Audit Committee 3. Industrial and Prudential Investment Co. Ltd. - Audit Committee 	<p>Chairman</p> <ol style="list-style-type: none"> 1. Manaksia Coated Metals & Industries Limited – Nomination and Remuneration Committee & Stakeholders Relationship Committee 2. BKM Industries Limited – Audit Committee & Nomination and Remuneration Committee 3. Manaksia Aluminium Company Limited - Nomination and Remuneration Committee & Stakeholders Relationship Committee 4. Mark Steels Limited - Nomination and Remuneration Committee <p>Member</p> <ol style="list-style-type: none"> 5. Manaksia Limited – Audit Committee & Nomination and remuneration Committee 6. Manaksia Coated Metals & industries Limited – Audit Committee 7. Manaksia Steels Limited – Audit Committee, Nomination and Remuneration Committee & Corporate Social Responsibility 8. Manaksia Aluminium Company Limited – Audit Committee 9. Mark Steels Limited – Audit Committee

Notice (Contd.)

Particulars	Shri Ratan Lal Gagar	Shri Sujit Chakravorti	Shri Probir Roy	Dr. Kali Kumar Chaudhuri
Relationship with other Directors/ KMP in other Companies	N.A.	N.A.	N.A.	N.A.
Number of shares held in the Company	Nil	Nil	Nil	Nil

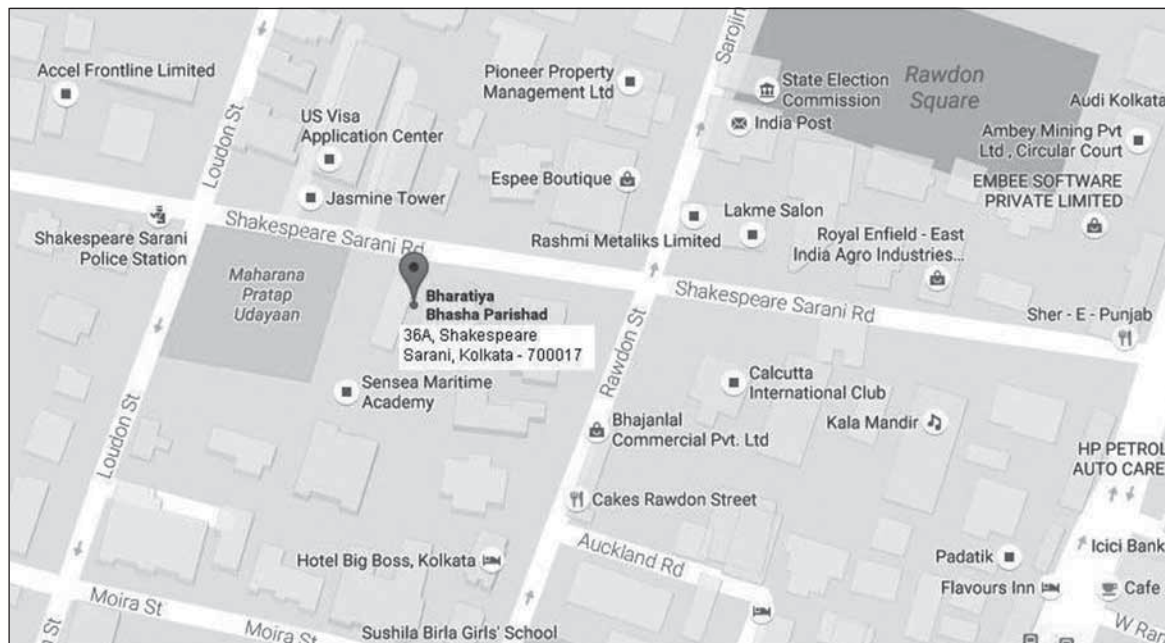
By order of the Board

RAVI KUMAR MURARKA
Chief Financial Officer
& Company Secretary
ACS-20659

Date: 30th May, 2019

Place: Kolkata

ROUTE MAP OF BHARATIYA BHASHA PARISHAD





Directors' Report to the Members

Your Directors present their 62nd Annual Report together with the Audited Accounts for the year ended 31st March 2019.

FINANCIAL RESULTS

(` in Lakhs)

PARTICULARS	As on 31.03.2019*	As on 31.03.2018
Turnover	22848.49	22137.16
Other Income	72.48	67.32
Profit before finance charges, Tax, Depreciation/ Amortization (PBITDA)	1057.61	426.02
Less: Finance Charges	708.78	719.45
Profit before Depreciation/ Amortization (PBTDA)	348.83	(293.43)
Less: Depreciation	222.69	195.12
Profit before Tax and Exceptional Items	126.14	(488.55)
Net profit before taxation (PBT)	126.14	(488.55)
Provision for taxation	27.91	-
Profit/ (Loss) after Taxation (PAT)	98.23	(488.55)
Other Comprehensive Income	(74.19)	(11.88)
Total Comprehensive Income	24.04	(500.43)

*The figures are not comparable with the previous year figures as P S Plywood Products Pvt. Ltd. is amalgamated with the Company vide National Company Law Tribunal, Kolkata Bench, Kolkata (NCLT) Order dated 10th August, 2018. The current year figures represent the merged figures of both the companies.

STATE OF COMPANY'S AFFAIRS

During the year under review, the Company has achieved a net turnover of ` 228.48 Crores as against ` 221.37 Crores in the preceding financial year, an increase of 3.21%. The company has earned a net profit of ` 0.24 Crores as against a net loss of ` 5.00 Crores in the preceding year.

Plywood Segment revenue increased from ` 200.05 Crores to ` 202.63 Crores i.e. an increase of 1.29%. Tea Segment revenue during the year was ` 25.85 Crores as against ` 21.32 Crores in the preceding financial year representing an incline of 21.25%.

CHANGES IN THE NAME OF THE COMPANY

During the year under review the Company changed its name to Duroply Industries Limited vide the ROC Certificate of Incorporation dated 13th December, 2018.

CHANGES IN THE NATURE OF BUSINESS

There was no change in the nature of the business of the Company during the year.

DIVIDEND

Due to inadequate profit and past losses, the Directors regret their inability to recommend any dividend for the year ended 31st March 2019.

RESERVES

Due to inadequacy of profit, no amount is proposed to be transferred to general reserve for the year ended 31st March 2019.

SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2018 was ` 4.52 Crores. During the year under review, the Company has issued 19,42,857 equity shares of ` 10 each to the shareholders of P S Plywood Products Pvt. Ltd. consequent upon amalgamation. As on 31st March, 2019 the paid up Equity Share Capital was Rs. 6.46 Crores.

AMALGAMATION OF P S PLYWOOD PRODUCTS PVT. LTD. WITH THE COMPANY

During the year under review National Company Law Tribunal (NCLT), Kolkata Bench, Kolkata vide their order dated 10th August, 2018 passed the order of amalgamation of P S Plywood Products Pvt. Ltd. with the Company. Accordingly all the assets and liabilities of P S Plywood Products Pvt. Ltd. has been transferred to the Company.

Directors' Report (Contd.)

BORROWINGS

The total borrowings stood at ` 4958.86 Lacs as at 31st March, 2019 as against ` 5393.98 Lacs as on 31st March, 2018, i.e. a decrease of ` 435.12 Lacs.

DEPOSITS

The Company has not accepted any deposits from public during the year and as such, there is no outstanding deposit in terms of Companies (Acceptance of Deposits) Rules, 2014.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility are not attracted to the Company. However, the Company has been, over the years, pursuing as part of its corporate philosophy, an unwritten CSR policy voluntarily like providing scholarship to poor brilliant students, sponsoring sports program etc.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under Regulation 34(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "SEBI Regulations"), the Management Discussion and Analysis Report is attached herewith as "**Annexure-1**".

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Retirement by Rotation

In accordance with the provisions of Section 152(6) and other applicable provisions of the Companies Act, 2013, Smt. Sheela Chitlangia (DIN: 00174354), Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible offered herself for re-appointment.

Appointment/Re-appointment of Directors

Shri Ratan Lal Gagar, Shri Probir Roy, Shri Sujit Chakravorti and Shri Kali Kumar Chaudhuri Independent Non-Executive Directors of the Company, whose term have expired on 31st March, 2019, are hereby re-appointed as an Independent Non-Executive Directors of the Company to hold office for second term of five consecutive years with effect from 1st April, 2019 to 31st March, 2024 and whose office shall not be liable to retire by rotation.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declaration from each of the Independent Directors under Section 149(7) of the Companies Act, 2013 that, they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI Regulations.

BOARD MEETINGS

During the year under review, five Board Meetings were convened and held. The details of which are given in Corporate Governance Report forming part of this Report. The provisions of the Companies Act, 2013 and SEBI Regulations were adhered to while considering the time gap between two meetings.

ANNUAL EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

During the year under review, the Board carried out annual evaluation in accordance with the above said policy and expressed satisfaction on the evaluation process and the performance of all the Directors, the Committees and the Board as a whole.

MANAGERIAL REMUNERATION

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of managerial personnel and employees of the company are attached herewith as "**Annexure-2**".

AUDIT COMMITTEE

The composition and terms of reference of the Audit Committee have been furnished in the Corporate Governance Report forming a part of this Report. There has been no instance where the Board has not accepted the recommendations of the Audit Committee.

SUBSIDIARIES, JOINT VENTURES & ASSOCIATE COMPANIES

The Company was having one associate Company namely M/s P. S. Plywood Products Pvt. Ltd. at the end of the year 31st March, 2018. However the same is amalgamated with the Company vide NCLT order dated 10th August, 2018. As on 31st March, 2019 the company is not having any associate, subsidiary or joint venture.



Directors' Report (Contd.)

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTY

All related party transactions that were entered into during the financial year under review were at arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Accordingly there is no transaction to be reported in Form AOC-2.

All related party transactions are placed before the Audit Committee and also the Board for approval. The detail of the policy on Related Party Transactions as approved by the Board of Directors and Audit Committee is available on the Company's website www.duroply.in.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has in place a Vigil Mechanism/Whistle Blower Policy to deal with unethical behavior and to provide a framework to promote responsible and secured reporting of undesired activities. The Vigil Mechanism/ Whistle Blower Policy is available on the website of the Company at www.duroply.in. During the year, no case was reported under this policy.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any guarantees or given new loans or made any new investments in securities of any other body corporate during the year under review. Details of the existing loans and investments made by the Company are given in the notes to the financial statements.

NOMINATION & REMUNERATION COMMITTEE

The composition and terms of reference of the Nomination and Remuneration Committee have been furnished in the Corporate Governance Report forming a part of this Report.

REMUNERATION POLICY

The Company has formulated a policy on director's selection and appointment, payment of remuneration, directors qualifications, positive attributes, independence of directors, selection and appraisal of performance of Key Managerial Personnel and Senior Management and their remuneration and other related matters as applicable under Section 178(3) of the Companies Act, 2013. The Company's Criteria for payment of remuneration to the Non Executive Directors and Familiarization Programme undertaken for Independent Directors are available on the Company's website www.duroply.in and the Remuneration Policy is separately attached herewith as "Annexure-3".

STAKEHOLDERS RELATIONSHIP COMMITTEE

The composition and terms of reference of the Stakeholders Relationship Committee have been furnished in the Corporate Governance Report forming a part of this Report.

RISK MANAGEMENT POLICY

The Company has a defined risk management framework to identify, assess, monitor and mitigate risks involved in its business. The Company understands that risk evaluation and risk mitigation is an ongoing process within the organization and is fully committed to identify and mitigate the risks in the business. The Company has formulated and implemented a risk management policy in accordance with SEBI Regulations, to identify and monitor business risk and assist in measures to control and mitigate such risks. In accordance with the policy, the risk associated with the Company's business is always reviewed by the management team and placed before the Audit Committee. The Audit Committee reviews these risks on periodical basis and ensures that mitigation plans are in place. The Board is briefed about the identified risks and mitigation plans undertaken.

The risk management policy as approved by the Board of Directors is available on the Company's website www.duroply.in.

INTERNAL FINANCIAL CONTROL

The Company has adequate internal control procedures commensurate with its size and nature of business. The objective of these procedures is to ensure efficient use and protection of the Company's resources, accuracy in financial reporting and due compliance of statutes and corporate policies and procedures. The Internal Financial Control (IFC) system ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly.

Necessary certification by the Statutory Auditors in relation to Internal Financial Control u/s 143(3) (i) of the Companies Act, 2013 forms part of the Audit Report.

Directors' Report (Contd.)

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the accounts for the year ended 31st March 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and of the profit/loss of the Company for the year on that date;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors have prepared the accounts for the year ended 31st March 2019 on a 'going concern' basis.
- (v) That the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating effectively.
- (vi) That the Directors incorporated proper systems to ensure compliance with the provisions of all applicable laws was in place and were adequate and operating effectively.

CORPORATE GOVERNANCE

The Company has in place the SEBI guidelines pertaining to Corporate Governance. The Corporate Governance Report giving the details as required under SEBI Regulations is given separately as **"Annexure-4"**.

The Corporate Governance Certificate for the year ended on 31st March, 2019 issued by Mr. Vivek Agarwal partner of M/s S. K. Agrawal & Co., Chartered Accountants, Statutory Auditors of the Company, is also attached herewith as **"Annexure-5"**.

Shri Sudeep Chitlangia, the Managing Director has given his certificate under SEBI Regulations regarding compliance with the Code of Conduct of the Company for the year ended 31st March, 2019, which is attached herewith as **"Annexure-6"**. Certificate Pursuant to Regulation 17(8) of the SEBI Regulations, is attached herewith as **"Annexure-7"**.

AUDITORS

STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013, and Rules made thereunder M/s. S. K. Agrawal & Co., Chartered Accountants (Firm Registration No.306033E) were appointed as the Statutory Auditors of the Company at the Annual General Meeting held on 19th September, 2017 for a term of five consecutive years.

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. S. K. Agrawal & Co., Chartered Accountants (Firm Registration No.306033E), Statutory Auditor, in their report.

The Statutory Auditor has not reported any incident of fraud to the Audit Committee of the Company during the year under review as required under section 143(12) of the Companies Act, 2013 & Rules made thereunder.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Ms. Rashmi Sharma, Company Secretary was appointed as the Secretarial Auditor of the Company for the FY 2018-19. The Secretarial Audit report for the financial year ended 31st March, 2019 is attached herewith as **"Annexure-8"**. The said report does not contain any qualification, reservation or adverse remarks.

Based on the consent received and on recommendation of the Audit Committee, the Board has re-appointed Ms. Rashmi Sharma as the secretarial auditor for the FY 2019-20.



Directors' Report (Contd.)

COST AUDITORS

Company is required to maintain Cost Records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and accordingly such accounts and records are made and maintained.

Pursuant to provisions of Companies Act, 2013 and the Rules thereunder, requirement of Cost Audit is not applicable to the Company.

INVESTOR EDUCATION & PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 is not applicable for the Company as no dividend was declared in the last financial year.

STOCK EXCHANGE LISTING

The Equity Shares of the Company are listed at the Bombay Stock Exchange Limited. The Company has paid the listing fee to the Bombay Stock Exchange Limited for the year 2019-2020.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in "Annexure-9" attached herewith.

ANNUAL RETURN

The Annual Return of the Company has been placed on the website of the Company and can be accessed at www.duroply.in.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material change and commitment affecting the financial position of the Company have occurred between the end of the financial year to which the financial statements relate and the date of the Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at the workplace. During the year under review, no complaint was reported to the Board.

ISO CERTIFICATION

The Company's factory at Rajkot, Gujarat have been certified ISO 14001:2004 for Environmental Management Systems Standards.

ACKNOWLEDGEMENT

Your Directors place on record their gratitude to the dealers, agents, suppliers, investors and bankers for their continued support, co-operation and their valuable guidance to the Company and for their trust reposed in the Company's management. Your Directors also place on record their sincere appreciation to employees at all levels for their hard work, dedication and continuous contribution to the Company.

For and on behalf of the Board

SUJIT CHAKRAVORTI

Director

(DIN: 00066344)

SUDEEP CHITLANGIA

Managing Director

(DIN: 00093908)

Registered Office:
9, Parsee Church Street,
Kolkata – 700001

Date : 30th May, 2019

Annexure-1

Management Discussion and Analysis Report

OVERVIEW

Duroply Industries Limited (DIL) is one of the oldest plywood manufacturers in India. It principally operates in two segments – Plywood and allied products and Tea. The Company owns a plywood and allied products unit at Rajkot, Gujarat and bought leaf tea processing factory at Jeypore, Assam. The Company is utilizing the best available raw materials for its products. Company's DURO range of products are increasingly gaining acceptance in the market and the company continues with its efforts of further growing the market.

Indian Economy

India continues to be one of the fastest growing major economies in the world and is expected to be among the world's top three economic powers in the next 10-15 years. The Indian economy is expected to improve and close the year 2019 with a GDP growth of 7.3% (Source: IMF).

Sustained real GDP growth of over 6% since FY91 has led to a fundamental transformation of India's economy. Today, India is the world's seventh largest economy in real terms, backed by strong demand, positive consumption pattern and rising disposable income. In PPP terms, the economy is expected to be among the top five global economies by 2020.

Since the NDA Government was appointed in 2014, new schemes, reforms and controversies have been making news almost regularly. Be it the Make in India Drive in 2014, demonetization of 2016, implementation of GST in 2017 or the stock crash of 2018. The economic policies of NDA Government during past few years have not only made great impact on Indian Economy, positively or negatively but have also attracted ire of opposition in each and every step it has taken.

The economy is expected to grow further due to the selection of NDA Government for a further period of 5 years.

SEGMENTWISE PERFORMANCE

Plywood

During the year 2018-19, segment revenue increased from ` 200.05 Crores to ` 202.63 Crores i.e. an increase of 1.29%.

During FY 2019-20 India is poised to offer bigger opportunities and organized working after the stabilization of GST and political conditions in the country. In coming years, the plywood sector is going to be more economical which will help to organized sector to grow at rapid rate. The Management does not foresee any significant threat to the industry and/or Company from any product and/or sector.

Tea

Segment revenue during the year was ` 25.85 Crores as against ` 21.32 Crores in the preceding financial year representing an increase of 21.25%.

Tea Industry is directly dependent on weather conditions. The market is growing every year due to sustained efforts being undertaken by the TEA BOARD. The BLF Segment is a arising good growth every year. However, the availability of good Quality raw material remains a challenge and had an impact on the output.

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors and cover all offices, factories and key business areas. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

OPPORTUNITIES & THREATS

Opportunities:

Some of the key opportunities based on the recent scenario of the economy are as follows:

- One of the fastest-growing economies in the world
- Consistent cost optimization initiatives
- Decades-long experience
- Deep distribution network

Your company is well positioned to take advantage of the opportunities in the market in the upcoming years.

Management Discussion and Analysis Report (Contd.)

Threats

- Raw material unavailability
- Price volatilities of raw materials
- Competition from the unorganised sector
- Cheaper substitutes

CHANGES IN THE KEY FINANCIAL RATIOS

In accordance with the SEBI (Listing Obligations and Disclosure Requirements 2018) (Amendment) Regulations, 2018, details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key Financial Ratios and any changes in Return on Net worth of the Company including explanations therefor are given below:

Ratio	March-19	March-18	% Changes	Explanation
Debtors Turnover Ratio (days)	38	35	7	-
Inventory Turnover Ratio (days)	53	64	-17	-
Interest Coverage Ratio (times)	1.18	0.32	271	Improved on account of higher operating profit
Current Ratio(times)	0.88	0.82	7	-
Debt Equity Ratio(times)	1.66	1.57	6	-
Operating Profit Margin (%)	4.65	2.11	121	Due to higher operating profit and reduced cost of goods sold
Net Profit Margin (%)	0.43	-2.16	-120	Due to higher operating profit and reduced cost of goods sold
Return on Net Worth (%)	0.33	-6.75	105	Increased primarily on account of increase in net profits attributable to higher operating profits during Financial year 2018-19

BUSINESS RISK MANAGEMENT

Risks are integral part for a business to grow. However, an effective risk management framework helps the organisation in mitigating the risks effectively and ensures business sustainability. Effective risk management comprises reducing the element of surprise, improve services, ensure proactive change management, source resources efficiently, optimize utilisation levels, prevent leakages and reduce wastages. Duroply has an efficient risk management process in place and the same is periodically reviewed by the Board for measuring their effectiveness. The process evaluates each risk associated with various business transactions and undertakes effective mitigation strategies to minimise impact.

FINANCIAL PERFORMANCE

During the year under review, the gross turnover of the Company has increased from ` 221.37 Crores to ` 228.48 Crores registering an increase of 3.21%. The Company has earned a net income of ` 0.24 Crores as against a net loss of ` 5.00 Crores in the preceding financial year. In view of inadequate profit and past losses incurred by the Company, the Board of Directors did not recommend any dividend.

HUMAN RESOURCES MANAGEMENT

People management is the backbone of your Company and it is regarded as one of the important resources for the success of the organisation. Over the years, your Company has strengthened its HR processes to ensure continual development and growth of its employees. HR processes are fine-tuned and updated to attract and recruit talent into the Company. It continues to focus on progressive employee relations policies, creating an inclusive work culture and a strong talent pipeline.

CAUTIONARY STATEMENT

Certain statements in this Management Discussion and Analysis, describing the Company's objectives, outlook and expectations, may constitute "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied. Several factors make a significant difference to the Company's operations, including climatic conditions, economic scenario affecting demand and supply, Government regulations, taxation, natural calamity and such other factors over which the Company does not have any direct control.

Annexure-2

Particulars of Remuneration

Part A : Information pursuant to Section 197(12) of the Companies Act, 2013

Read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Requirement of Rule 5(1)	Details
(i) The ratio of each Director to the median remuneration of the employees of the Company for the financial year	<p>Independent Directors</p> <p>Dr. Kali Kumar Chaudhuri : Nil</p> <p>Shri Sujit Chakravorti : Nil</p> <p>Shri Probir Roy : Nil</p> <p>Shri Ratan Lal Gaggar : Nil</p> <p>Non Executive Directors</p> <p>Smt. Sheela Chitlangia : Nil</p> <p>Shri Sohan Lal Yadav : Nil</p> <p>Executive Director</p> <p>Shri Sudeep Chitlangia : 16.06</p>
(ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	<p>Independent Directors</p> <p>Dr. Kali Kumar Chaudhuri : Nil</p> <p>Shri Sujit Chakravorti : Nil</p> <p>Shri Probir Roy : Nil</p> <p>Shri Ratan Lal Gaggar : Nil</p> <p>Non Executive Directors</p> <p>Smt. Sheela Chitlangia : Nil</p> <p>Shri Sohan Lal Yadav : Nil</p> <p>Executive Director</p> <p>Shri Sudeep Chitlangia : 6.22%</p> <p>(Managing Director)</p> <p>CFO & Company Secretary</p> <p>Shri Ravi Kumar Murarka : 11.41%</p>
(iii) The percentage increase in the median remuneration of employees in the financial year	: 17.83%
(iv) The number of permanent employees on the rolls of the Company	: 601 permanent employees as on 31 st March, 2019
(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof	: Average salary increase of managerial employees 7.51%
	Average salary increase of non-managerial employees 14.01%
	There has been no exceptional increase in managerial remuneration.
(vi) Affirmation that the remuneration is as per the remuneration policy of the Company	: Remuneration paid during the year ended 31 st March, 2019 is as per the Remuneration Policy of the Company.

Note: 1) Sitting Fees paid to the Independent Directors is not considered as remuneration paid to the Independent Directors.

Particulars of Remuneration (Contd.)

Part A : Information pursuant to Section 197(12) of the Companies Act, 2013

Read with Rule 5 (2) & 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sl. No.	Employee Name	Designation	Remuneration received (₹)	Qualification	Total years of Experience	Date of commencement of employment	Age	Last employment
1	Sudeep Chitlangia	Managing Director	57,41,219	B.Com	31	27-05-1988	53	Nil
2	Devesh Ahluwalia	Vice- President Sales	32,51,090	B.Sc., PGDBM	28	03-07-2014	52	Sheela Foam Pvt. Ltd.
3	Akhilesh Chitlangia	General Manager	28,78,200	B.Sc., B.A	9	01-07-2010	31	Nil
4	Shashank Hissaria	General Manager	22,79,395	B.Com	30	15-12-1988	50	Nil
5	Somnath Roychoudhury	General Manager-Sales & Marketing	21,93,900	B.E. (Electrical)	34	15-11-2012	59	Free Lancer Trainer Consultant
6	Harender Verma	Regional Manager	21,08,044	M.Sc., MBA	22	26-09-2015	48	Lafarge India Pvt. Ltd.
7	Pawan Kumar Verma	General Manager, Accounts	20,28,252	B.Com., ACA	12	18-12-2008	39	Reliance Retail Ltd.
8	Ravi Kumar Murarka	Chief Financial Officer & Company Secretary	20,02,338	B.Com, C.W.A., A.C.S, F.C.A., D.I.S.A.	21	01-05-2009	45	Jessop & Co. Ltd.
9	Neeraj Gupta	General Manager-Commercial	19,68,072	B.Com, ICWA (Inter)	26	15-11-1998	50	Chembra Peak Estate Ltd
10	A Srinivas	Regional Manager	15,53,250	B.Com., MBA	21	09-10-2013	48	Qatar & Gulf Enterprises, Doha

Annexure-3

REMUNERATION POLICY

a) Remuneration Policy for Non Executive Directors/ Independent Directors

Levels of remuneration to directors are determined such that they attract, retain and motivate directors of the quality and ability required to run the Company successfully. With changes in the corporate governance norms, the role of the Non-Executive Directors (NEDs) and the degree and quality of their engagement with the Board and the Company has undergone significant changes over a period of time.

Under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the “SEBI Regulations”), every company to publish its criteria of making payments to NEDs in its Annual Report. Alternatively, this may be put up on the Company’s website and reference may be drawn thereto in its Annual Report. Section 197 of the Companies Act, 2013 and the SEBI Regulations require the prior approval of the shareholders of a Company for making payment to its NEDs.

Further, in order to be consistent with globally accepted governance practices, the company has ushered in flexibility in respect of payment of remuneration to NEDs. It has linked the remuneration paid to NEDs to their attendance at the meetings of the Board or Committees thereof, their contributions at the meetings or otherwise, and on their position in various Committees of the Board, whether as the Chairman or Member.

All board level compensation (including to the NEDs) is approved by the shareholders and disclosed separately in the financial statements. Appropriate disclosures are also made in the Annual Report of the company. The board approves the commission paid to the directors.

In addition, the company also pays a sitting fee on a per meeting basis to the NEDs for attending the meetings of the board and other committees.

b) Remuneration Policy for Executive Directors

The remuneration policy for the Executive Directors has been formulated, considering the following key principles including but not limited to the basic principle to have long term relationship with the Company:

Key Principles:

- Linked to strategy: A substantial portion of the Executive Director’s remuneration is linked to success in developing and implementing the Company’s strategy.
- Performance related: A part of the total remuneration varies with performance, aligning with the shareholder’s interest.
- Long term: The structure of remuneration is designed to reflect the long term nature of the Company and significance of the protection of interest of the shareholders.
- Fair treatment: Total overall remuneration takes account of both the external market and Company’s condition to achieve a balanced “fair outcome”.

Elements of the Remuneration structure of Executive Directors:

The remuneration to key managerial personnel shall include:

- Fixed Salary
- Perquisites and Allowances
- Other benefits in accordance with the market practice and industry analysis.

Annual remuneration reviews shall be based on individual performance, Company Performance, market environment and future plans.

Remuneration Policy (Contd.)

The remuneration to any one Managing Director or Whole Time Director or Manager shall not exceed five percent of the net profits of the Company and if there is more than one such director total remuneration shall not exceed ten percent of the net profits of the Company to all such directors and Manager together. The total remuneration to its directors, including Managing Director and Whole-time Director, and its Manager in respect of any financial year shall not exceed eleven percent of the net profits of that financial year.

In case of no profits, or inadequate profits, the Company shall pay remuneration to its Managing or Whole-time Director or Manager in accordance with the provisions of Schedule V of the Companies Act 2013.

c) Remuneration Policy for Key Managerial Personnel (KMP)

The remuneration to Key Managerial Personnel's of the Company i.e. Managing Director/Chief Executive Officer/ Whole Time Director, Company Secretary and Chief Financial Officer as defined under Companies Act, 2013 read with related rules issued thereon, will be fixed after taking into account educational and professional qualification, experience & expertise of the personnel and the competitive market practices.

Key Principles:

- Remuneration should be sufficient to attract, retain and motivate best non-executive talent suits to the requirement of the Company.
- Remuneration practice should be consistent with the recognized best standard practices for Key Managerial Personnel's.

Elements of the Remuneration structure of KMP's:

The remuneration to key managerial personnel shall include:

- Fixed salary
- Perquisites and Allowances
- Other benefits in accordance with the market practice

Annual remuneration reviews shall be based on individual performance, Company Performance, market environment and future plans.

d) Remuneration Policy for Senior Management Personnel and other Executives:

The remuneration to Senior Management personnel shall be fixed considering internal, external and individual equity; and also procedural equity.

- Remuneration to Senior Management Personnel shall include –
- Fixed Salary
- Perquisites and Allowances
- Other benefits in accordance with the market practice

Annual remuneration reviews shall be based on individual performance, Company Performance, market environment and future plans.

Annexure-4

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Company's philosophy on corporate governance is based on trusteeship, transparency, accountability and ethical corporate citizenship. As a responsible corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust of our stakeholders.

2. BOARD OF DIRECTORS

a) Composition of the Board :

The Board consists of seven Directors comprising:

- One Managing Director-Promoter
- One Non-Executive Woman Director - Promoter
- One Non-Executive, Non-Independent Director
- Four Non-Executive Independent Directors

Shri Sudeep Chitlangia and Smt. Sheela Chitlangia are related *inter-se*.

b) The Composition and category of Board of Directors and other details are as follows:

Name of Directors	Category of Directorship	Date of Appointment in the current term/cessation	*Tenure (in months)	No. of Board Meetings attended	Attendance at last AGM on 24.09.2018	No. of Directorship(s) in Listed entities including this listed entity	No. of membership(s) in #Committee (s) including this listed entity	No. of post of Chairperson in #Committee held in listed entities including this listed entity
Shri Sudeep Chitlangia	Managing Director-Promoter	27.05.1988	–	5	Yes	1	1	–
Shri Sohan Lal Yadav	Director	27.11.1996	–	1	No	1	–	–
Dr.Kali Kumar Chaudhuri	Non-Executive & Independent Director	01.04.2014	158	5	Yes	7	9	4
Shri Probir Roy	Non-Executive & Independent Director	01.04.2014	94	5	Yes	2	7	2
Shri Ratan Lal Gaggar	Non-Executive & Independent Director	01.04.2014	513	4	Yes	6	9	1
Shri Sujit Chakravorti	Non-Executive & Independent Director	01.04.2014	198	5	Yes	3	4	3
Smt. Sheela Chitlangia	Non-Executive Director	29.09.2015	–	5	No	1	–	–

* Tenure would mean total period from which Independent Director is serving on the Board of Directors of the listed entity in continuity without any cooling off period.

Only Audit Committee and Stakeholders Relationship Committee have been considered.

Report on Corporate Governance (Contd.)

c) Name of other listed entities where Directors of the company are Directors and the Category of Directorship:

Sl. No.	Name of Director	Name of the Listed entities in which the concerned Director is a Director	Category of Directorship
1	Shri Sudeep Chitlangia DIN: 00093908	-	-
2	Shri Sohan Lal Yadav DIN: 00207333	-	-
3	Dr. Kali Kumar Chaudhuri DIN:00206175	Manaksia Limited	Independent director
		Manaksia Coated Metals & Industries Limited	Independent director
		Manaksia Steels Limited	Independent director
		Manaksia Aluminum Company Limited	Independent director
		BKM Industries Limited	Independent director
4	Shri Probir Roy DIN: 00033045	Industrial and Prudential Investment Co. Ltd.	Independent director
5	Shri Sujit Chakravorti DIN:00066344	Deepak Industries Limited	Independent director
		WEBFIL Limited	Independent director
6	Shri Ratan Lal Gaggar DIN:00066068	TIL Limited	Independent director
		Sumedha Fiscal Service Ltd.	Independent director
		International Combustion Limited	Independent director
		Shree Cement Limited	Independent director
		Machino Plastics Limited	Independent Director
7	Smt. Sheela Chitlangia DIN: 00174354	-	-

d) Board meetings held during the year ended 31st March 2019

During the year five Board Meetings were held on 28th May 2018, 13th August 2018, 6th October 2018, 12th November 2018 and 12th February 2019.

e) Information placed before the Board of Directors

As required under the Regulation 17(7) read with Part – A of Schedule-II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 all the information were placed before the Board.

f) Code for prevention of Insider-Trading practices and Fair Disclosures

The Company has in place an Insider Trading Code for compliance with the Securities And Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992. Shri Ravi Kumar Murarka, Chief Financial Officer and Company Secretary of the Company is the Compliance Officer and responsible for compliance with the Insider Trading policies. Details of security transactions by insiders, if any, are placed before the Board of Directors of the Company and also notified to the Stock Exchange.

g) Shareholding of Non-Executive Directors

Except Smt. Sheela Chitlangia, none of the Non-Executive Directors hold any shares in the Company. Smt. Sheela Chitlangia holds 2,71,650 Equity Shares of ₹ 10/- each of the Company as on 31st March, 2019.

h) Details of Familiarisation Programmes imparted to Independent Directors

Pursuant to Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company should familiarise the Independent Directors through various programs about the Company. During the financial year, senior management team has from time to time made presentations to Directors giving an overview of the Company's operations, function, strategy and risk management plan of the Company.

Report on Corporate Governance (Contd.)

i) Skill/Expertise/Competencies of the Board of Directors

The Following is the list of core skills/ expertise/competencies identified by the Board of Directors as required in the context of the company's business and that the said skills are available with the Board Members:

- I. Experience in and Knowledge of the industries in which company operates.
- II. Behavior Skills – The attributes and competencies enabling individual Board Member to use their knowledge and skill to function well as team member and to interact with the key stakeholders.
- III. Financial and management Skill
- IV. Technical/professional skills and specialist knowledge to assist with ongoing aspects of the board's role.
- V. Business Strategy, Sales, & Marketing, Corporate Governance, Forex Management, Administration, Decision Making.

j) Independent Directors:

The company is having four non-executive independent directors and company has received the declaration from independent Directors as required under section 149 of the Companies Act, 2013 and Regulation 16 and 25 of the SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015 and on the basis of such declaration it is in the opinion of the Board of Directors of the company, that all the Independent Directors fulfill the condition as specified under Regulation 16(1)(b) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

3. AUDIT COMMITTEE

a) Composition of the Committee

The Audit Committee has been constituted by Board in accordance with the section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015. The Audit Committee comprises of three Non-Executive Directors, all of whom are Independent Directors. The names of the members of the Committee are Shri Sujit Chakravorti (Chairman of the Committee), Shri Ratan Lal Gaggar and Shri Probir Roy. The Managing Director is permanent invitee in all meetings of the Committee. The Company Secretary acts as the Secretary to the Committee.

b) Terms of Reference

The terms of reference of the Committee as specified in Regulation 18 read with part C of Schedule II of the SEBI Regulations and Section 177 of the Companies Act, 2013 are as follows:

- i) The Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- ii) the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b) Changes, if any, in accounting policies and practices and reasons for the same;
 - c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - d) Significant adjustments made in the financial statements arising out of audit findings;
 - e) Compliance with listing and other legal requirements relating to financial statements;
 - f) Disclosure of any Related Party Transactions;
 - g) Modified opinion(s) in the draft audit report;
- iii) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- iv) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- v) Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
- vi) Reviewing with the management, the statement of users/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- vii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

Report on Corporate Governance (Contd.)

- viii) Approval or any subsequent modification of transactions of the Company with related parties;
- ix) Scrutiny of inter-corporate loans and investments;
- x) Valuation of undertakings or assets of the Company, wherever it is necessary;
- xi) Evaluation of internal financial controls and risk management systems;
- xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiv) Discussion with internal auditors of any significant findings and follow up there on;
- xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xviii) To review the functioning of the whistle blower mechanism;
- xix) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- xx) The Audit Committee shall mandatorily review the following information:
 - a) management discussion and analysis of financial condition and results of operations;
 - b) statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - c) management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d) internal audit reports relating to internal control weaknesses; and
 - e) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
 - f) statement of deviations: quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) and annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
 - g) it should also review (as and when it becomes applicable) the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date.

c) Audit Committee Meetings held during the year ended 31st March 2019

During the year under review, four Audit Committee Meetings were held on 28th May 2018, 13th August 2018, 12th November 2018 and 12th February 2019.

d) Attendance at the Audit Committee Meetings

Name of Directors	No. of Meetings held	No. of Meetings attended
Shri Probir Roy	4	4
Shri Ratan Lal Gaggar	4	3
Shri Sujit Chakravorti	4	4

4. NOMINATION & REMUNERATION COMMITTEE

a) Composition of the Committee

The Nomination & Remuneration Committee has been constituted by Board in accordance with the section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015. The Nomination & Remuneration Committee comprises of three Non-Executive Directors, all of whom are Independent Directors. The names of the members of the Committee are Dr. Kali Kumar Chaudhuri (Chairman of the Committee), Shri Ratan Lal Gaggar and Shri Sujit Chakravorti.

Report on Corporate Governance (Contd.)

b) Terms of Reference

The terms of reference of the Committee as specified in Regulation 19 read with Part D of Schedule II of the SEBI Regulations are as follows:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors,
- Formulation of criteria for evaluation of performance of Independent Directors and the board of directors;
- Devising a policy on diversity of the board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and remuneration payable to them.
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

c) Nomination & Remuneration Committee Meeting held during the year ended 31st March 2019

During the year under review, one Nomination & Remuneration Committee Meeting was held on 19th November, 2018.

d) Attendance at the Nomination & Remuneration Committee Meeting

Name of Director	No. of Meetings held	No. of Meetings attended
Dr. Kali Kumar Chaudhuri	1	1
Shri Ratan Lal Gaggar	1	1
Shri Sujit Chakravorti	1	1

e) Details of remuneration to Directors

Name	Salary & Perks	Sitting Fees	Total
Shri Sudeep Chitlangia	57,41,219	-	57,41,219
Shri Sohan Lal Yadav	-	-	-
Dr. Kali Kumar Chaudhuri	-	68,500	68,500
Shri Ratan Lal Gaggar	-	81,000	81,000
Shri Probir Roy	-	80,000	80,000
Shri Sujit Chakravorti	-	86,000	86,000
Smt. Sheela Chitlangia	-	50,000	50,000

Notes:

- (a) The Company does not pay any commission or performance linked incentives to any of its Directors.
- (b) The company pays sitting fees to Independent Directors for attending the Board and Committee meetings. Other than that, Independent Directors have no pecuniary relationships or transactions with the Company.

f) Performance Evaluation criteria for Independent Directors

The following are the evaluation criteria for the Performance evaluation of the Independent Directors.

- Compliance with Articles of Association, Companies Act & other laws
- Compliance with ethical standards & code of conduct of Company
- Assistance in implementing corporate governance practices
- Rendering independent, unbiased opinion
- Attendance & presence in meetings of Board & committees
- Attendance & presence in general meetings
- Disclosure of independence, if exists
- Review of integrity of financial information & risk management
- Safeguard of stakeholders' interests
- Updation of skills and knowledge (Awareness program through presentation at the Board and Committee meetings)

Report on Corporate Governance (Contd.)

- Information regarding external environment
- Raising of concerns to the Board
- Safeguarding interest of whistle blowers under vigil mechanism
- Reporting of frauds, violation etc.
- Safeguard of confidential information

g) **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and as per requirement of Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has adopted the criteria for evaluation of its own performance, its committees and individual directors and carried out the required annual evaluation.

In respect of each of the evaluation factors, various aspects covering general parameters in respect of all the directors and its committees have been considered and set out in the Performance Evaluation Policy in accordance with their respective functions and duties.

Self-appraisal by the directors, based on their delegated specific responsibilities has also been carried out.

Further, the Independent directors have evaluated the performance of Executive Chairman, Non-Independent Directors and the Board of Directors as a whole as per requirement of Regulation 25 (3) & (4) of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.

Nomination and Remuneration Committee had also evaluated performance of each of the Directors based on the aforesaid evaluation factors.

5. **STAKEHOLDERS RELATIONSHIP COMMITTEE**

a) **Composition of the Committee**

The Stakeholders Relationship Committee has been constituted by Board in accordance with the section 177(5) of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015. The Stakeholders Relationship Committee consists of Dr. Kali Kumar Chaudhuri, Non-Executive Independent Director and Chairman of the Committee, Shri Ratan Lal Gaggar, Non-Executive Independent Director and Shri Sudeep Chitlangia, Managing Director. The Company Secretary acts as the Secretary to the Committee.

b) **Terms of Reference**

The Committee performs amongst others the role/functions as are set out in SEBI Regulations and includes:

- to consider, review and redress grievances of shareholders, debenture holders and other security holders of the Company;
- to consider and resolve the grievances of the shareholders / Investor's like transfer of shares, debenture, non receipt of balance sheet, non receipt of declared dividends;
- to deal with all aspects relating to issue and allotment of shares and debentures and / or other securities of the Company.
- to consider and approve subdivision, consolidation, transfer and issue of duplicate shares and debenture certificate;
- to delegate any of the powers mentioned above to the Company executives;
- authority to take a decision in any other matter in relation to the above functions / powers; and
- to do such other acts, deeds and things as may be directed by the Board and required to comply with the applicable laws.
- To specifically look into the various aspects of interest of shareholders, debentureholders and other security holders.

c) **Stakeholders Relationship Committee Meetings held during the year ended 31st March 2019**

During the year under review, five Stakeholder Relationship Committee Meetings were held on 11th April 2018, 21st May 2018, 3rd September 2018, 23rd November 2018 and 11th January 2019.

d) **Attendance at Stakeholders Relationship Committee Meetings**

Name of Director	No. of Meetings held	No. of Meetings attended
Dr. Kali Kumar Chaudhuri	5	5
Shri Sudeep Chitlangia	5	5
Shri Ratan Lal Gaggar	5	5

Report on Corporate Governance (Contd.)

e) Compliance Officer

Shri Ravi Kumar Murarka, CFO & Company Secretary is the Compliance Officer of the Company.

f) Shareholders' Complaints

During the year ended 31st March 2019, the Company had received 4 complaints from its shareholders. No complaints were pending at the beginning and at the closing of the year except those under litigation, dispute or Court orders.

6. GENERAL BODY MEETINGS

Details of the last three Annual General Meetings are as under:

Financial Year	Location	Date	Nature	Time	Number of special resolutions passed
2015-2016	Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata – 700 017	16.09.2016	AGM	11.00 A.M.	None
2016-2017	Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata – 700 017	19.09.2017	AGM	11.00 A.M.	One
2017-2018	Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata – 700 017	24.09.2018	AGM	11.00 A.M.	Four

Notes:

- One Special resolution was passed through postal ballot during the year 2017-18 as per the order dated 28th July, 2017 passed by the National Company Law Tribunal (NCLT), Kolkata Bench.
- One Special resolution was passed through postal ballot during the year 2018-19 for changing the name of the Company from Sarda Plywood Industries Limited to Duroply Industries Limited.

Details of voting Pattern:

The company has sent the postal Ballot Notice dated 23rd October, 2018 together with the explanatory statement, postal Ballot Form and self-addressed envelope to the members in the permitted mode. The members whose name was appearing in the register of member as on 26th October, 2018 (Record date) were entitled to vote.

The Board of Directors had appointed Mr. Atul Kumar Labh (COP No.-3238) a Practicing Company Secretary and Partner of M/s A.K. Labh and Co. as the Scrutinizer for conducting the postal ballot and Remote e-voting process thereof in fair and transparent manner.

The Voting results are as under

Name of the Resolution	Type of Resolution	No. of Votes Polled	Votes cast in favour		Votes cast against	
			No. of Votes	%	No. of Votes	%
Approval for name change of the Company	Special resolution	2516851	2516831	99.9992	20	0.0008

Based on the Scrutinizer's report resolution was approved by shareholders of the company with the requisites majority and same was declared on 04th December, 2018.

- No special resolution is proposed to be put through postal ballot in the ensuing Annual General Meeting.

7. DISCLOSURES

- There is no materially significant related party transaction entered into by the Company that may have potential conflict with the interests of the Company at large. Details of the related party transactions are presented in the notes to the financial statements. The Company's policy on related party transactions is available at the website of the Company www.duroply.in.
- There were no instances of non-compliance nor have any penalties or strictures been imposed by Stock Exchange or SEBI or any other statutory authority during the last three years on any matter related to the capital markets.
- The Company has followed the applicable guidelines of Indian Accounting Standards as specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- The Company has adopted Vigil Mechanism/Whistle blower policy. No personnel were denied access to the Audit Committee.

Report on Corporate Governance (Contd.)

- e) The Company has complied with all the mandatory requirement and discretionary requirement of unqualified financial statements.
- f) The Company does not have any subsidiary.
- g) The Company has complied with corporate governance requirements specified in regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015.

8. MEANS OF COMMUNICATION

- a) Quarterly, half yearly and annual financial results of the Company are communicated to the Stock Exchanges immediately after they are approved by the Board.
- b) Financial results are normally published in all editions of the Financial Express in English language and in Ekdin in Bengali language.
- c) Financial results of the company are displayed on its website www.duroply.in.
- d) No presentations were made to institutional investors or analysts.

9. Fee to Statutory Auditor

During the year, an amount of ` 3,60,000/- (Rupees Three Lakhs Sixty Thousand only) as paid to M/s. S.K. Agrawal & Co. the statutory auditor of the Company for the services rendered by it to the Company.

10. GENERAL SHAREHOLDER INFORMATION

- | | | |
|------|---|---|
| I. | Annual General Meeting | |
| | – Date and Time | : 25 th September, 2019 at 11.00 AM |
| | – Venue | : Bharatiya Bhasha Parishad
36A, Shakespeare Sarani, Kolkata-700 017 |
| II. | Financial Calendar for the year 2019-2020 | |
| | Particulars of Quarter | : Tentative Dates |
| | Results for the first quarter | : On or before second week of August |
| | Results for the second quarter | : On or before second week of November |
| | Results for the third quarter | : On or before second week of February |
| | Annual Audited Results | : On or before last week of May |
| III. | Book Closure Date | : 18 th September 2019 to 25 th September 2019
(both days inclusive). |
| IV. | Dividend Payment Date | : Not Applicable |
| V. | Listing on Stock Exchange | : Bombay Stock Exchange Ltd.
Corporate Relationship Department
Rotunda Building, 1st Floor
New Trading Ring, P.J. Towers
Dalal Street, Mumbai-400 001 |
| VI. | Scrip Code | : 516003 |

Report on Corporate Governance (Contd.)

VII. Market Price Data

Month	Stock Prices on BSE		SENSEX	
	High	Low	High	Low
April 2018	158.00	96.55	35213.30	32972.60
May 2018	149.00	112.75	35993.50	34302.90
June 2018	119.45	94.60	35877.40	35423.50
July 2018	100.75	71.00	37644.60	35106.60
August 2018	100.45	85.00	38989.70	37129.00
September 2018	128.50	93.10	38934.40	35985.60
October 2018	101.30	74.00	36616.60	33291.60
November 2018	90.90	72.00	36389.20	34303.40
December 2018	105.35	71.50	36555.00	34426.30
January 2019	99.40	79.15	36701.00	35375.50
February 2019	99.35	68.05	37172.20	35287.20
March 2019	102.80	73.05	38748.50	35926.90

VIII. Share Transfer System

M/s. Maheshwari Datamatics Private Limited are the Share Transfer Agents/Registrars (for both physical as well as demat segments) of the Company. The Board of Directors of the Company has authorized Shri Sudeep Chitlangia, Managing Director and Shri Ravi Kumar Murarka, Chief Financial Officer and Company Secretary of the Company to approve all valid share transfer requests on regular basis and accordingly all valid transfers are effected within a fortnight. Details of approved share transfers are submitted to the Stakeholders Relationship Committee.

IX. Credit Rating: Infomeries Valuation And Rating Pvt. Ltd. has given the following credit ratings to the Company during the financial year 2018-19

Sr. No.	Particulars	Credit rating
1.	Long Term Bank Facilities	IVR BB-
2.	Short Term Bank Facilities	IVR A4

X. Distribution of Shareholding as on 31st March 2019

No. of shares of ` 10 each	No. of shareholders	% of Shareholders	No. of shares held	Shareholding %
1-500	6531	94.3923	805747	12.4714
501-1000	190	2.9461	150385	2.3277
1001-5000	137	1.9801	286874	4.4402
5001-10000	23	0.3324	170461	2.6384
10001 & above	38	0.5492	5047275	78.1222
TOTAL	6919	100.0000	6460742	100.0000



Report on Corporate Governance (Contd.)

XI. Categories of Shareholding as on 31st March 20189

Categories of Shareholders	No. of shares held	Percentage
Indian Promoters	4076308	63.09
Banks and Mutual Funds	10800	0.17
Body Corporates	510381	7.90
Individuals	1840103	28.84
TOTAL	6460742	100.00

XII. Dematerialisation of shares : The Company's shares are available for Dematerialisation and liquidity with NSDL and CDSL. The ISIN allotted to the Company's Equity Shares is INE932D01010. As on 31st March 2019, 93.24% of the Share Capital has been dematerialised.

XIII. Outstanding GDR/ADR/Warrants : Not Applicable

XIV. Plant locations : 1. Tea Unit
P.O. Jeypore - 786614
Dist. Dibrugarh, Assam
2. Plywood Unit
Rajkot Gondal Highway
Shapar - 360024,
Dist. Rajkot, Gujarat

XV. Address for Correspondence : Maheshwari Datamatics Private Limited
23rd R N Mukherjee Road, 5th Floor
Kolkata – 700001
Phone: (033) 2243 5029/2243 5809
Fax : (033) 2248 4787
E-mail: mdpl@cal.vsnl.net.in

XVI. E-mail id for investor grievances : investors@duroply.com

For and on behalf of the Board

SUJIT CHAKRAVORTI
Director
(DIN: 00066344)

SUDEEP CHITLANGIA
Managing Director
(DIN: 00093908)

Registered Office
9, Parsee church Street
Kolkata – 700001
Date: 30th May 2019

CERTIFICATE PURSUANT TO REGULATION 34(3) AND SCHEDULE V PARA C CLAUSE (10) (I) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION, 2015

To,
The Members
Duroply Industries Limited
113, Park Street, North Block
4th Floor, Kolkata – 700016

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Duroply Industries Limited having CIN : L20211WB1957PLC023493 and having registered office at 9, Parsee Church Street, Kolkata – 700001, West Bengal (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Probir Roy	00033045	09.05.2011
2.	Ratanlal Gaggar	00066068	28.06.1976
3.	Sujit Chakravorti	00066344	27.09.2002
4.	Sudeep Chitlangia	00093908	27.05.1988
5.	Sheela Chitlangia	00174354	06.02.2015
6.	Kali Kumar Chaudhuri	00206157	24.01.2006
7.	Sohan Lal Yadav	00207333	27.11.1996

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **A. K. LABH & Co.**
Company Secretaries

Place : Kolkata
Dated : 30th May, 2019

(**CS A. K. LABH**)
Practicing Company Secretary
FCS – 4848 / CP No.- 3238



Annexure-5

Independent Auditor's Certificate on Corporate Governance to the Members of Duroply Industries Limited (Formerly Sarda Plywood Industries Limited)

1. We have examined the compliance of conditions of Corporate Governance by the Company for the year ended on 31st March, 2019 as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("the Listing Regulations").

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of accounts and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V of the Listing Regulations during the year ended 31st March, 2019.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **S. K. AGRAWAL AND CO.**
Chartered Accountants
(F.R. No.306033E)

CA VIVEK AGARWAL
Partner
(Membership No.301571)

Place: Kolkata
Date: 30th May 2019

Annexure-6

Declaration regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct

This is to confirm that the Board has adopted a Code of Conduct for its Directors and Senior Management of the Company and the same is available on the Company's website.

I confirm that the company has received from the Senior Management team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct, as applicable to them, during the financial year ended 31st March 2019.

SUDEEP CHITLANGIA
Managing Director
(DIN: 00093908)

Place: Kolkata
Date: 30th May, 2019

Annexure-7

Certificate under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

CERTIFICATION

Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we hereby certify that:

- A. We have reviewed financial statements and the cash flow statement for the financial year ended 31st March 2019 and that to the best of our knowledge and belief, we state that:
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- C. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- D. We have indicated, based in our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
1. Significant changes, if any, in internal control over financial reporting during the year;
 2. Significant changes, if any, in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

For **DUROPLY INDUSTRIES LIMITED**

SUDEEP CHITLANGIA
Managing Director
(DIN: 00093908)

Place : Kolkata
Date: 30th May, 2019

RAVI KUMAR MURARKA
Chief Financial Officer &
Company Secretary

Secretarial Audit Report For The Financial Year Ended 31st March, 2019

**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To
The Members
Duroply Industries Limited
9, Parsee Church Street
Kolkata – 700 001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Duroply Industries Limited** having its Registered Office at 9, Parsee Church Street, Kolkata – 700001, West Bengal (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31.03.2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

Auditors' Responsibility

Maintenance of Secretarial Records is the responsibility of the management of the Company. My responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to me during the said audit and also based on the information furnished to me by the officers' and the agents of the Company during the said audit.

I have followed the audit practices and processes as were appropriate to the best of my understanding to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.

I have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Company during the period under scrutiny. I have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the Board, of the members of the Company and of other authorities as per the provisions of various statutes as mentioned hereinafter.

Wherever required I have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. My examination was limited to the verification of compliance procedures on test basis.

My report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

I report that, I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2019 according to the provisions of (as amended) :

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Secretarial Standards as issued by The Institute of Company Secretaries of India;
- (iii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

Secretarial Audit Report (Contd.)

- (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has specifically complied with the provisions of the following Acts:

1. Food Safety And Standards Act, 2006;
2. The Indian Forest Act, 1927;
3. Tea Waste Control Order, 1959;
4. Tea (Marketing) Control Order, 2003;
5. Tea (Distribution & Export) Control Order, 2005; and
6. Plant Protection Code (Formulated by Tea Board of India)

to the extent of its applicability to the Company during the financial year ended 31.03.2019 and my examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to me by the Company and its management and to the best of my judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of my knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws:

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (ii) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ;
- (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iv) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

I further report that :

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
- (d) There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that :

- (a) The Scheme of Amalgamation of M/s. P. S. Plywood Products Private Limited with the Company was approved by the Hon'ble National Company Law Tribunal, Kolkata Bench, Kolkata vide its order dated 10th August, 2018.
- (b) The Company allotted 19,42,857 Equity Shares of Rs. 10/- each of Duroply Industries Limited ("Transferee Company") to the shareholders of P. S. Plywood Products Private Limited ("Transferor Company") subsequent to the Scheme of Amalgamation at 2:7 ratio i.e. 2 equity shares of Rs. 10/- each of the Transferee Company for every 7 equity shares of Rs. 10/- each of the Transferor Company. All the shares of the Company are listed with BSE Limited.
- (c) The name of the Company has been changed from "Sarda Plywood Industries Limited" to "Duroply Industries Limited" with effect from 13.12.2018 subsequent to approval of the shareholders by passing Special Resolution through Postal Ballot..

Place : Kolkata
Date : 30th May, 2019

(RASHMI SHARMA)
Practicing Company Secretary
FCS No.-8660 / CP No.-8051

Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule – 8(3) of the Companies (Accounts) Rules, 2014 and forming part of Directors' Report.

(A) CONSERVATION OF ENERGY

- a) **Energy Conservation measures taken:** Energy conservation, wherever possible, have already been implemented and there are no major areas where further energy conservation measures can be taken. However, efforts to conserve and optimize the use of energy through improved operational methods and other means will continue.
- b) Form –A in respect of tea operation is enclosed.

(B) TECHNOLOGY ABSORPTION

- a) Efforts made in technology absorption : Form B is enclosed.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

- a) **Efforts:** the Company has not exported any of its products during the year.
- b) **Earnings and Outgo:** (` in Lakhs)
- | | |
|---|---------|
| (i) Foreign Exchange earnings | NIL |
| (ii) Foreign exchange outgo (imports and other expenditure in foreign currency) | 3881.32 |

FORM – A

(See rule 2)

(For Bought Leaf Tea Processing Factory)

Disclosure of particulars with respect to conservation of energy

A. POWER AND FUEL CONSUMPTION	2018-2019	2017-2018
1. Electricity		
(a) Purchased		
Unit	Kwh	834973
Total amount	`	7408940
Rate/Unit	`/Kwh	8.87
(b) Own generation		
(i) Through gas generator		
Unit	Kwh	655800
Unit per SCUM of natural gas	Kwh/SCUM	1.75
Cost/unit	`/Kwh	6.40
(ii) Through Diesel Generator		
Unit	Kwh	84400
Unit per Litre of Diesel Oil	Kwh/ltr.	3.17
Cost/unit	`/Kwh	22.57
2. Natural Gas		
Quantity	SCUM	1087192
Total cost	`	12009876
Rate	`/SCUM	11.05
B. CONSUMPTION PER UNIT OF PRODUCTION		
Electricity	Kwh/Kg.	0.75
Natural Gas	SCUM/Kg.	0.52

Annexure-9 (contd.)

FORM - B

Disclosure of particulars with respect to technology absorption

I. Research and Development

- | | |
|--------------------------|--|
| 1. Specific Areas | : Efforts are being taken for improving input / output ratio, optimization of equipment efficiency and improvement in quality. |
| 2. Benefits derived | : Improvement in quality, productivity and performance. |
| 3. Future plan of action | : Efforts would be taken for further improvement in quality and capacity utilization. |
| 4. Expenditure on R & D | : It has not been accounted for separately. |

II. Technology absorption, adoption and innovation

- | | |
|---|--|
| 1. Efforts made | : The Company is carrying out in-house research to develop new and better products and also to improvise the quality of existing products. |
| 2. Benefits | : Improved product quality and quantity, Cost reduction, technology up-gradation |
| 3. Particulars of technology imported during the last three years | : Nil |

Independent Auditor's Report

To the Members of DUROPLY INDUSTRIES LIMITED

(Formerly Sarda Plywood Industries Limited)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Duroply Industries Limited (Formerly Sarda Plywood Industries Limited) ("the Company"), which comprises the Balance sheet as at 31st March 2019, and the Statement of Profit and Loss (Including Other Comprehensive Income), Cash Flow Statement and the Statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, and its Profit (including other comprehensive income) and its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

S. No	Key Audit Matter	Auditor's Response
1.	Business Combination Accuracy of recognition, measurement, presentation and disclosures of Business combination as per IndAS 103. A business combination is a transaction in which the acquirer obtains control of another business (the acquire) (Refer Note No.37)	Our procedures included: <ul style="list-style-type: none"> • Accounting policies: The amalgamation was accounted under the "pooling of interest" method prescribed under Ind AS 103 - Business Combinations, as prescribed by the Scheme. • Control testing: Testing the effectiveness of the company controls over the calculation of capital reserve and Goodwill. • Tests of details: Obtaining supporting documentation for :- • The assets and liabilities of the combining entities are reflected at their carrying amounts. • No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies. • The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date

Independent Auditors' Report (Contd.)

		<ul style="list-style-type: none"> • The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. Alternatively, it is transferred to General Reserve, if any. • The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor. • The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor shall be transferred to capital reserve and should be presented separately from other capital reserves with disclosure of its nature and purpose in the notes. • Assessing disclosures: Considering the adequacy of the Group's disclosures in respect of Business combination. Our results • The results of our testing were satisfactory, and we considered that the 'polling of interest method' in the scheme of Arrangement recognized to be acceptable and recorded in the correct period.
	<p>Direct Tax provision</p> <p>In the normal course of business, "Income Taxes" as the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> • Control testing: Testing the effectiveness of the Group's controls around the recording and re-assessment of tax provisions. • Our tax expertise: Use of our own tax specialists to perform an assessment of the Group's related correspondence, to consider the computation of tax provisions. • Challenging the assumptions using our own expectations based on our knowledge of the Group, considering relevant judgments passed by authorities, as well as assessing relevant opinions from third parties. • Assessing disclosures: Considering the adequacy of the Group's disclosures in respect of tax and uncertain tax positions. • Our results : The results of our testing were satisfactory, and we found the level of tax provisioning to be acceptable.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of the Management for the Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that gives a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in

Independent Auditors' Report (Contd.)

India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that gives a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with management, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditors' Report (Contd.)

Other Matter

We did not audit the financial statements/ information of Delhi branch included in the stand alone financial statements of the Company whose financial statements/financial information reflect total assets of Rs 1977.01 Lakhs as at 31st March 2019 and the total revenue of Rs. 9005.18 Lakhs for the year ended on that date, as considered in the standalone financial statements/ information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors.

We draw attention to Note 37 of the financial statements regarding Scheme of Arrangement for merger of P. S. Plywood Products Private Limited with Duroply Industries Limited w.e.f. 1st April, 2016, the appointed date, approved by the Hon'ble National Company Law Tribunal, Kolkata vide Order dated 10th August, 2018. The NCLT order overrides the requirements under Ind AS 103, Business Combination and hence the Company has considered the date of acquisition as 1st April, 2016 and accordingly the effects have been given in these financial statements.

We also draw attention that audit of financial statements for the Financial year 2016-17 and 2017-18 of P. S. Plywood Products Private Limited were done by other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 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 appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statements of Cash Flows dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the Balance sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of changes in Equity and the Statement of Cash flows comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act;
 - e. On the basis of the written representations received from the directors as on 31st March, 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019, 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 controls over financial reporting;
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h. 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 has disclosed the impact of pending litigations which would impact financial position. (Refer Note 37.3 to the financial statement)
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S. K. AGRAWAL AND CO.**

Chartered Accountants

Firm's Registration No. 306033E

(**CA VIVEK AGARWAL**)

Partner

Membership No. 301571

Place : Kolkata

Date: 30th May, 2019

Annexure to the Auditors' Report

Annexure -A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditor's Report to the members of Duroply Industries Limited (Formerly Sarda Plywood Industries limited) (the Company') on the financial statements for the year ended on 31st March, 2019. We report that:

- i. In respect of the Company's fixed Assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) According to information and explanation given to us all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable having regard to the size of the company and nature of the assets. No material discrepancies were noticed on such physical verification.
 - (c) According to information and explanation given to us and the records examined by us including registered title deeds, we reports that ,the title deeds, comprising all the immovable properties of land and building are held in the name of company as at balance sheet date.
- ii. The inventories have been physically verified during the year by the management at regular intervals. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on physical verification.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraph 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not given any loans, guarantees or security or made any investments to which provisions of sections 185 and 186 of the Companies Act, 2013 is applicable, and accordingly reporting under clause (iv) of the Order is not applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposits under the provisions of Sections 73 to Section 76 of the Companies Act, 2013 during the year. Hence, the provisions of Clause (v) of the Order are not applicable to the Company.
- vi. According to the information and explanation given to us, the Central Govt. of India has not specified the maintenance of cost records under sub section (1) of section 148 of the Act for the product of the company.
- vii. According to the information and explanations given to us in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Service Tax, Sales Tax, Value Added Tax, duty of Custom, duty of Excise, Cess, Goods and Service Tax and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2019 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, there are no material dues of duty of customs, goods and service tax, value added tax which have not been deposited with the appropriate authorities on account of any dispute. However, according to the information and explanation give to us, the following dues of income tax, sales tax, duty of excise, service tax have not been deposited by the company on account of disputes:

Nature of the Statute	Nature of dues	Amount (in Lakhs)	Period to which the matter pertains	Forum where matter is pending
Delhi Sales Tax Act, 1975	Sales Tax	77.87	1990-91	Additional Commissioner of sales tax
Central Sales Tax Act, 1956	Sales Tax	47.52	1990-91	Additional Commissioner of sales tax
Income Tax Act, 1961	Income Tax	0.87	1985-86	Income Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	1,198.78	April, 2010 to Dec, 2016	Assistant Commissioner of Central Excise

Independent Auditors' Report (Contd.)

- viii. In our opinion and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institution and banks. The Company does not have any loans or borrowings from Government and has not issued any debentures.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were applied for the purpose for which the loans were obtained.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us, the company has paid or provided for managerial remuneration in accordance with requisite approvals mandated by the provisions for managerial remunerations of Section 197 read with Schedule V to the Companies Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv. According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partially convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **S.K. AGRAWAL AND CO.**
Chartered Accountants
Firm's Registration No. 306033E

(CA VIVEK AGARWAL)
Partner
Membership No. 301571

Place : Kolkata
Date: 30th May, 2019

Annexure to the Auditors' Report (Contd.)

Annexure - B to the Auditors' Report

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 Duroply Industries Limited (Formerly Sarda Plywood Industries Limited) ("the Company") as of 31st March, 2019 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 authorisation of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection

Independent Auditors' Report (Contd.)

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 our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S. K. AGRAWAL AND CO.**

Chartered Accountants

Firm's Registration No.306033E

(CA VIVEK AGARWAL)

Partner

Membership No. 301571

Place: Kolkata

Date: 30th May, 2019



BALANCE SHEET as at 31st March, 2019

in Lakhs

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
I. ASSETS			
(1) Non - Current Assets			
(a) Property, plant and equipment	2	10,101.29	10,262.06
(b) Intangible assets	3	32.63	35.24
(c) Financial Assets			
Investments	4	1.55	2.15
Loans	5	618.37	579.48
Others	6	—	0.15
(d) Other Non - Current Assets	7	5.53	21.83
(2) Current assets			
(a) Inventories	8	6,465.44	5,999.12
(b) Financial Assets			
Trade receivables	9	2,357.30	2,136.27
Cash and Cash Equivalents	10	32.36	20.13
Other Bank Balances	11	276.87	47.42
Loans	12	45.70	63.34
Others	13	25.55	14.16
(c) Current Tax Assets (Net)	14	37.58	22.66
(d) Other current assets	15	648.85	667.45
TOTAL		20,649.02	19,871.46
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share capital	16	646.36	452.07
(b) Share to be issued pursuant to scheme of amalgamation		—	194.29
(c) Other Equity	17	7,114.60	7,090.56
(2) Non - current liabilities			
(a) Financial Liabilities			
Borrowings	18	751.50	382.96
Other Financial Liabilities	19	50.00	50.00
(b) Provisions	20	199.24	171.85
(c) Deferred Tax Liabilities (Net)	21	468.91	441.01
(d) Other Non - Current Liabilities	22	119.89	132.73
(3) Current liabilities			
(a) Financial Liabilities			
Borrowings	23	3,981.49	4,734.48
Trade payables	24	6,423.77	5,196.09
Other Financial Liabilities	25	543.85	650.54
(b) Other current liabilities	26	300.86	352.50
(c) Provisions	27	48.55	22.38
TOTAL		20,649.02	19,871.46

Significant accounting policies

1.1

Other Disclosures

37

The accompanying notes 1 to 37 are an integral part of the Financial Statements.

As per our report of even date attached.

On behalf of the Board

For **S. K. AGRAWAL AND CO.**

Chartered Accountants

(F.R. NO. 306033E)

SUJIT CHAKRAVORTI

Director

DIN. 00066344

CA VIVEK AGARWAL

(Membership No.301571)

Partner

Place : Kolkata

Date : 30th May, 2019

RAVI KUMAR MURARKA

Chief Financial Officer &

Company Secretary

SUDEEP CHITLANGIA

Managing Director

DIN. 00093908

STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2019

` in Lakhs

	Note No.	Year ended 31 st March, 2019	Year ended 31 st March, 2018
I. Revenue from operations			
Sale of goods	28	22,752.47	22,025.26
Other operating Income	29	96.02	111.90
Total Revenue from Operations		<u>22,848.49</u>	<u>22,137.16</u>
II. Other income	30	72.48	96.65
III. Total revenue (I+II)		<u>22,920.97</u>	<u>22,233.81</u>
IV. Expenses:			
Cost of materials consumed	31	10,357.70	11,654.50
Purchases of stock-in-trade	32	2,283.12	1,766.48
Changes in inventories of finished goods, work -in-progress and stock-in-trade	33	520.11	(734.94)
Excise duty (Inclusive of Tea Cess)		-	381.47
Employee benefits expense	34	2,507.56	3,088.94
Finance costs	35	708.78	691.30
Depreciation and amortization expense	2	222.69	244.82
Other expenses	36	6,194.87	5,613.12
Total expenses		<u>22,794.83</u>	<u>22,705.69</u>
V. Profit/(Loss) before exceptional items and tax (III - IV)		126.14	(471.88)
VI. Exceptional items		-	-
VII. Profit/(Loss) before tax (V-VI)		126.14	(471.88)
VIII. Tax expense :			
Current tax		0.01	4.87
Deferred tax		27.90	(1.96)
Profit/(Loss) for the year (VII - VIII)		<u>98.23</u>	<u>(474.79)</u>
Other Comprehensive Income			
i) Items that will not be reclassified to Profit and Loss			
- Remeasurement of Defined Benefit Liabilities		(74.19)	(11.88)
Total Comprehensive Income for the year		<u>24.04</u>	<u>(486.67)</u>
Earnings per equity share of ` 10/- each			
Basic		1.52	(7.35)
Diluted		1.52	(7.35)
Significant accounting policies	1.1		
Other Disclosures	37		

The accompanying notes 1 to 37 are an integral part of the Financial Statements.

As per our report of even date attached.

For **S. K. AGRAWAL AND CO.**
Chartered Accountants
(F.R. NO. 306033E)

CA VIVEK AGARWAL
(Membership No.301571)
Partner
Place : Kolkata
Date : 30th May, 2019

RAVI KUMAR MURARKA
Chief Financial Officer &
Company Secretary

On behalf of the Board

SUJIT CHAKRAVORTI
Director
DIN. 00066344

SUDEEP CHITLANGIA
Managing Director
DIN. 00093908



STATEMENT OF CHANGE IN EQUITY for the year ended 31st March, 2019

A) Equity Share Capital

Equity Shares of ₹ 10 each subscribed and fully paid	Number of Shares	₹ in Lakhs
On 1 st April, 2017	4,517,885	451.79
Changes in equity share capital during the year	—	—
Balance as at 31 st March, 2018	4,517,885	451.79
Changes in equity share capital during the year	1,942,857	194.29
Balance as at 31 st March, 2019	6,460,742	646.08

B) Shares to be issued in pursuant to scheme of Amalgamation

	Number of Shares	₹ in Lakhs
On 1 st April, 2017	1,942,857	194.29
Changes in equity share capital during the year	—	—
Balance as at 31 st March, 2018	1,942,857	194.29
Issued in pursuant to scheme of Amalgamation	(1,942,857)	(194.29)
Balance as at 31 st March, 2019	—	—

C) Other Equity

₹ in Lakhs

Particulars	Reserves and Surplus				
	Securities Premium Reserve	General Reserve	Retained Earning	Other Comprehensive Income	Total
Balance as at 1 st April, 2017	754.15	1,216.84	5,711.61	(105.37)	7,577.23
Profit for the year	—	—	(474.79)	—	(474.79)
Other Comprehensive Income for the year	—	—	—	(11.88)	(11.88)
Balance as at 31 st March, 2018	754.15	1,216.84	5,236.82	(117.25)	7,090.56
Profit for the year	—	—	98.23	—	98.23
Other Comprehensive Income for the year	—	—	—	(11.88)	(74.19)
Balance as at 31 st March, 2019	754.15	1,216.84	5,335.05	(191.44)	7,114.60

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date attached.

For **S. K. AGRAWAL AND CO.**
Chartered Accountants
(F.R. NO. 306033E)

CA VIVEK AGARWAL
(Membership No.301571)
Partner
Place : Kolkata
Date : 30th May, 2019

RAVI KUMAR MURARKA
Chief Financial Officer &
Company Secretary

On behalf of the Board

SUJIT CHAKRAVORTI
Director
DIN. 00066344

SUDEEP CHITLANGIA
Managing Director
DIN. 00093908

CASH FLOW STATEMENT for the year ended 31st March, 2019

in Lakhs

	Year ended 31 st March, 2019	Year ended 31 st March, 2018
A. Cash Flow from Operating Activities		
Net Profit/(Loss) before tax	126.14	(471.88)
Adjustments for:		
Depreciation and Amortisation expenses	222.69	244.82
Provision for fair value of Investments	0.61	(0.44)
Unspent Liabilities Written Back	(5.57)	(1.42)
Government Grant	(12.84)	(12.85)
Loss/(Profit) on Sale of Property, Plant and Equipment	(5.59)	1.24
Loss/(Profit) on Sale of Investment	-	(0.67)
Interest Income	(43.59)	(31.08)
Finance Costs	708.78	691.30
Dividend Income	(0.67)	(3.16)
Operating Profit/(Loss) before Working Capital Changes	989.96	415.86
Decrease/(Increase) in Non Current Financial Assets - Loan	(38.89)	(45.01)
Decrease/(Increase) in Current Financial Assets - Loan	17.63	(1.40)
Decrease/(Increase) in Non Current Financial Assets - Others	0.15	(0.15)
Decrease/(Increase) in Current Financial Assets - Others	10.80	(9.08)
Decrease/(Increase) in Other Non Current Assets	16.30	7.64
Decrease/(Increase) in Other Current Assets	18.60	211.60
Decrease/(Increase) in Inventories	(466.32)	218.11
Decrease/(Increase) in Trade Receivables	(221.02)	(140.06)
Increase/(Decrease) in Long Term Provisions	(46.38)	(4.21)
Increase/(Decrease) in Short Term Provisions	26.17	7.28
Increase/(Decrease) in Other Financial Liabilities	(37.37)	29.04
Increase/(Decrease) in Other Current Liabilities	(51.64)	14.64
Increase/(Decrease) in Trade Payables	1,233.24	176.47
Cash generated from Operating activities	1,451.23	880.73
Direct Taxes Paid (Net of Refund)	(14.93)	(3.90)
Net Cash Flow from/(used in) Operating Activities	1,436.30	876.83
B. Cash Flow from Investing Activities		
Additions to Property, Plant and Equipment	(134.87)	(202.52)
Additions to Intangible Fixed Assets	(5.89)	(6.11)
Addition to Fixed Deposits	(229.45)	(46.83)
Sale of Property, Plant and Equipment	87.04	15.34
Sale of Long Term Investments	0.60	0.21
Interest Income	21.41	31.17
Dividend Income	0.67	3.16
Net Cash flow from/(used in) Investing activities	(260.49)	(205.58)
C. Cash Flow from Financing Activities		
Proceeds from Working Capital Loan	184.75	37.22
Proceeds of Buyers Credit	(918.74)	64.00
Proceeds from Other Short Term Borrowings	(19.00)	80.00
Proceeds from Term Loan	299.22	(174.79)
Interest Expenses	(688.38)	(650.91)
Other Borrowing Costs	(21.43)	(39.91)
Net Cash Flow from/(Used in) Financing Activities	(1,163.58)	(684.39)
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	12.23	(13.14)
Opening Cash and Cash Equivalents	20.13	33.27
Closing Cash and Cash Equivalents as per Note No. 10	32.36	20.13

Note:

- 1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the IND As 7 on 'Statement of Cash Flow'.
- 2) Figures in brackets represent cash outflow.
- 3) Cash equivalents does not include any amount which is not available for use by the Company.

As per our report of even date attached.

For S. K. AGRAWAL AND CO.
Chartered Accountants
(F.R. NO. 306033E)

CA VIVEK AGARWAL
(Membership No.301571)
Partner
Place : Kolkata
Date : 30th May, 2019

RAVI KUMAR MURARKA
Chief Financial Officer &
Company Secretary

On behalf of the Board
SUJIT CHAKRAVORTI
Director
DIN. 00066344

SUDEEP CHITLANGIA
Managing Director
DIN. 00093908

Note No. 1
1. Company Overview

Duroply Industries Limited ('the company') is a public limited company incorporated and domiciled in India in 1957 under the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange. The Company is primarily engaged in manufacturing and sale of Plywood, Decorative Veneers, Block boards, Doors, Tea etc. The registered office of the Company is at 9, Parsee Church Street, Kolkata – 700 001.

1.1 Significant Accounting Policies
a. Statement of compliance

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

b. Basis of preparation

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS.

The financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest lakhs, except otherwise stated.

c. Fair value measurement

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Investment in quoted and unquoted equity shares
- Financial instruments

d. Current versus non-current classification

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

Notes to Accounts (Contd.)

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

e. Use of estimates and critical accounting judgements

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

f. Property, plant and equipment

Recognition and initial measurement

An item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is derecognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of profit and loss.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

For transition to Ind AS, the Company has elected to continue with carrying value of all its property, plant and equipment (except free hold land which is recognised at fair value) recognised as at 1st April 2016 measured as per previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or

Notes to Accounts (Contd.)

when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

g. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment loss, if any.

The Company has intangible assets with finite useful lives.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Intangible assets (Computer Software) are amortised on Straight Line method over a period of 5 years.

h. Depreciation and amortisation property plant and equipment and intangible assets

Depreciation or amortisation is provided so as to write off, on a Straight Line Method, the cost of property, plant and equipment and other intangible assets, including those held under finance leases to their residual value. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives as per the useful life prescribed in Schedule II to the Companies Act, 2013, or, as per technical assessment, or, in the case of leased assets, over the lease period, if shorter. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised. No further charge is provided in respect of assets that are fully written down but are still in use.

The estimated useful life of the Property Plant and Equipment is given below: -

Asset Group	Useful Life (in years)
Factory Building	30
Non - Factory Building	60
Plant & Equipment	8-15
Electrical Installation	10
Furniture & Fixtures	10
Office Equipment and Vehicle	5-8
Computers	3

Freehold land is not depreciated.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

i. Impairment of non-financial assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured

Notes to Accounts (Contd.)

by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

j. Recent accounting pronouncement

Ind AS 116 - Leases was notified on 30th March, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1st April, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to re-measure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the re-measurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Company intends to adopt this standard. However, adoption of this standard is not likely to have a significant impact in its Financial Statements.

Ind AS 19 – Plan amendment, curtailment or settlement- On 30th March, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling

Ind AS 12 – Income taxes: On 30th March, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after 1st April, 2019. The Company does not have any impact on account of this amendment.

Ind AS 23- Borrowing Costs The amendment clarifies that in computing the capitalization rate for funds borrowed generally, an entity should include borrowing costs applicable to borrowings made specifically for obtaining a qualifying asset, only until the asset is ready for its intended use or sale. Borrowing costs related to specific borrowings that remain outstanding after the related qualifying asset is ready for intended use or of sale would subsequently be considered as part of the general borrowing costs of the entity.

The amendment is applicable to borrowing costs incurred on or after the beginning of the annual reporting period beginning on or after 1st April, 2019. The Company does not have any significant impact on account of this amendment.

k. Leases

The Company determines whether an arrangement contains a lease by assessing whether the fulfilment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to use that asset to the Company in return for payment. Where this occurs, the arrangement is deemed to include a lease and is accounted for either as finance or operating lease.

Notes to Accounts (Contd.)

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

The Company as lessee

- (i) **Operating lease** – Lease payments under an operating lease shall be recognised as an expense 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. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred
- (ii) **Finance lease** – Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Consolidated Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

The Company as lessor

- (i) **Operating lease** – Rental income from operating leases is recognised in the statement of profit and loss on a straight line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognised on a straight line basis over the lease term.

I. Financial Instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Initial Recognition:

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 and ancillary costs related to borrowings) are added to or deducted from the fair 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 Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortised Cost

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Other Comprehensive Income

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes to Accounts (Contd.)

Fair Value through Profit or Loss

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

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.

The Company has measured quoted equity instruments at fair value through profit or loss.

Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL:

Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets

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. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Derivative financial instruments

The company uses Derivative Financial Instruments such as forward contracts to hedge its foreign currency risks. Such Derivative financial instruments are initially recognized and subsequently measured at Fair Value through profit or loss (FVTPL). Derivatives are carried as Financial Assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains/ losses arising from changes in the fair value of derivative financial instrument are recognized in the statement of Profit or Loss and reported with foreign exchange gains/ (loss) not within results from operating activities. Changes in fair value gains/ (losses) on settlement of foreign currency derivative financial instruments relating to borrowings, which have not been designated as hedge are recorded as finance expense.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally

Notes to Accounts (Contd.)

enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

m. Employee benefits

1. Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefits obligations in the balance sheet.

2. Other long term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

3. Post-employment obligations

The company operates the following post-employment schemes:

Defined contribution plans

The company pays provident fund contribution to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid.

Defined benefit plans

Gratuity liability, being a defined benefit obligation, is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit or loss.

Re-measurement of gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

4. Bonus Plans

The company recognizes a liability and an expense for bonuses. The company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

n. Inventories

Inventories are valued at the lower of cost and net realizable value.

Cost incurred in bringing each product to its present location and condition are accounted as follows:

- i. **Raw materials:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Notes to Accounts (Contd.)

ii. **Finished goods and work in progress:** Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis. Finished Goods also include the applicable Excise Duty.

iii. **Stores and spares & Chemicals:** Cost is determined on FIFO/weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion.

o. **Provisions, Contingent liabilities and Contingent assets**

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expense.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

p. **Government grants**

The Company recognises government grants only when there is reasonable assurance that the conditions attached to them shall be complied with and the grants will be received. Grants related to assets are treated as deferred income and are recognized as other income in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset. Grants related to revenue are recognized in statement of Profit and Loss under the heading 'Other Operating Revenue'.

q. **Income taxes**

Tax expense is the aggregate amount included in determination of profit or loss for the period in respect of current tax & deferred tax.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences. Deferred tax asset shall be recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised. The Company has not recognized deferred tax assets during the year as the existence of unused tax losses are the evidence that future taxable profit may not be available against which these unused tax losses can be utilised.

Notes to Accounts (Contd.)

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

r. Revenue

Ind AS 115 was issued on 28th March, 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. It focuses on the identification of performance obligations in a contract and requires revenue to be recognised when or as those performance obligations are satisfied.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1st April, 2018.

In terms of the requirement of the new standard, revenue is recognised net of trade schemes, discounts and incentives payable to distributors/dealers and retailers.

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

Sale of goods

Revenue from sale of goods is recognized when the Company transfers the control of goods to the customer as per the terms of contract. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In the context of the sale of the products, separate performance obligations may arise from freight and transport services as well as from services directly related to the sale of the products. These services are generally performed at the time that the control of the products is transferred. In a few exceptional cases, the freight and transport services are performed after the control of the products has been transferred. In accordance with IND AS 115, the revenue relating to these freight and transport services is realised later than the corresponding product revenue. In determining the transaction price, the Company considers the effects of variable consideration such as discounts, volume rebates, or other contractual price reductions, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any). However, variable consideration is only included if it is highly probable that a significant reversal of revenue will not occur once the uncertainty related to the variable consideration is resolved.

In case of domestic sales, the company believes that the control gets transferred to the customer on dispatch of the goods from the factory and in case of exports, revenue is recognised on passage of control as per the terms of contract / incoterms. Variable consideration in the form of volume rebates is recognized at the time of sale made to the customers and are offset against the amounts payable by them. The adaption of Ind AS 115 did not have significant impact for the company.

Interest income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in finance income in the statement of profit and loss.

Dividend income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

Insurance Claims

Insurance and other claims are accounted for as and when settled.

Notes to Accounts (Contd.)

s. **Foreign currency transactions**

Transactions in Foreign currency are initially recorded at the exchange rate at which the transaction is carried out.

Monetary Assets and Liabilities related to foreign currency transactions remaining outstanding at the year-end are translated at the year-end rate.

In case of items which are covered by forward exchange contracts, the premium or discount on forward exchange contracts is amortised over the period of the respective contract.

Any income or expense on account of exchange difference either on settlement or on translation at the year-end is recognised in the Statement of Profit and Loss.

t. **Borrowing costs**

Borrowings costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest costs.

u. **Earnings per share**

Basic earnings per share is calculated by dividing the profit attributable to owners of the company, by the weighted average number of shares outstanding during the financial year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

v. **Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables. The Company follows “simplified approach” for recognition of impairment loss allowances on trade receivables.

w. **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company’s cash management.

x. **Trade and other payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within the credit period allowed. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Long term trade payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

y. **Segment reporting**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company’s chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company’s performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

z. **Related party transactions**

Disclosure of transactions with related parties, as required by Ind AS 24 “Related Party Disclosures” has been set out in a separate note. Related parties as defined under Clause 9 of Ind AS 24 have been identified on the basis of representations made by the management and information available with the company.

Notes to Accounts (Contd.)
Note No : 2
PROPERTY, PLANT AND EQUIPMENT

` in Lakhs

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK
	As at 01.04.2018 Cost or Deemed Cost	Additions	Deductions	As at 31.03.2019	Upto 31.03.2018	for the Year	Sales/Adjustment	Upto 31.03.2019	As at 31.03.2019
Freehold Land	8,450.78	–	–	8,450.78	–	–	–	–	8,450.78
Buildings	716.76	11.17	0.99	726.94	82.19	29.81	0.05	111.95	614.99
Plant and Equipments	1,230.40	90.46	117.06	1,203.80	298.05	138.80	42.92	393.93	809.87
Motor Vehicles	130.50	8.29	15.87	122.92	28.36	16.38	10.16	34.58	88.34
Furniture and Fixtures	103.99	12.51	0.81	115.69	14.99	12.91	0.54	27.36	88.33
Office Equipments & Computer	80.99	12.44	2.31	91.12	27.77	16.29	1.92	42.14	48.98
Sub - total	10,713.42	134.87	137.04	10,711.25	451.36	214.19	55.59	609.96	10,101.29
TOTAL	10,713.42	134.87	137.04	10,711.25	451.36	214.19	55.59	609.96	10,101.29

PROPERTY, PLANT AND EQUIPMENT - Previous Year

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK
	As at 01.04.2017 Cost or Deemed Cost	Additions	Deductions	As at 31.03.2018	Upto 31.03.2017	for the Year	Sales/Adjustment	Upto 31.03.2018	As at 31.03.2018
Freehold Land	8,450.78	-	-	8,450.78	-	-	-	-	8,450.78
Buildings	695.76	21.00	-	716.76	41.05	41.14	-	82.19	634.57
Plant and Equipments	1,178.84	58.67	7.11	1,230.40	147.61	152.38	1.94	298.05	932.35
Motor Vehicles	94.73	50.68	14.91	130.50	16.02	15.93	3.59	28.36	102.14
Furniture and Fixtures	39.10	64.89	-	103.99	6.99	8.00	-	14.99	89.00
Office Equipments & Computer	50.30	30.81	0.12	80.99	13.44	14.36	0.03	27.77	53.22
Sub - total	10,509.51	226.05	22.14	10,713.42	225.11	231.81	5.56	451.36	10,262.06
TOTAL	10,509.51	226.05	22.14	10,713.42	225.11	231.81	5.56	451.36	10,262.06

Notes :

- a) Land, Building and Plant & Equipment were revalued on 30th June 1985 as per valuation report of M/S. Consolidated Enterprises on the basis of net replacement value and appreciation on revaluation aggregating to ` 163.76 Lakhs (Land ` 19.66 Lakhs , Building ` 70.61 Lakhs and Plant & Equipment ` 73.49 Lakhs) was credited to Capital Reserve.

Notes to Accounts (Contd.)

Note No : 3

INTANGIBLE ASSETS

₹ in Lakhs

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK
	As at 01.04.2018 Cost or Deemed Cost	Additions	Deductions	As at 31.03.2019	Upto 31.03.2018	for the Year	Sales/Ad- justment	Upto 31.03.2019	As at 31.03.2019
Computer Softwares (Acquired)	58.62	5.89	—	64.51	23.38	8.50	—	31.88	32.63
TOTAL	58.62	5.89	—	64.51	23.38	8.50	—	31.88	32.63

INTANGIBLE ASSETS- Previous Year

₹ in Lakhs

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK
	As at 01.04.2017 Cost or Deemed Cost	Additions	Deductions	As at 31.03.2018	Upto 31.03.2017	for the Year	Sales/Ad- justment	Upto 31.03.2018	As at 31.03.2018
Computer Softwares (Acquired)	52.51	6.11	—	58.62	10.37	13.01	—	23.38	35.24
Sub - total	52.51	6.11	—	58.62	10.37	13.01	—	23.38	35.24

Note No : 4

Non-current investments

₹ in Lakhs

Particulars	Face value	Number of shares	As at 31 st March, 2019	Number of shares	As at 31 st March, 2018
Investments measured at Fair Value through Profit & Loss					
Investments in Equity Shares					
a) Quoted, Fully paid up					
Assam Petro-Chemicals Ltd.	10	-	-	-	-
Rampur Fertilizers Limited	10	61	-	61	-
SMIFS Capital Markets Ltd.	10	3,500	1.37	3,500	1.99
United Credit Ltd.	10	1,000	0.18	1,000	0.16
			<u>1.55</u>		<u>2.15</u>
b) Unquoted, Fully Paid up :					
Other Companies					
Orissa Tea Plantations Ltd.	10	100	-	100	-
Albion Plywood Ltd.	10	300	-	300	-
Rajkot Nagrik Sahakari Bank Ltd.	50	1	-	1	-
			<u>-</u>		<u>-</u>
c) Unquoted, Partly paid up					
Partly paid up (₹ 60/- called and paid up)					
The Purbanchal Bank Limited	100	200	-	200	-
			<u>-</u>		<u>-</u>
			<u>1.55</u>		<u>2.15</u>
Aggregate amount of quoted investments			10.43		10.43
Aggregate amount of unquoted investments			-		-
Aggregate market value of quoted investments			1.55		2.15

Besides above, the Company holds following shares in relation to the shares already sold by it:

a) Rampur Fertilizers Ltd.	16	16
----------------------------	----	----



Notes to Accounts (Contd.)

Note No : 5

	As at 31 st March, 2019	` in Lakhs As at 31 st March, 2018
Loans		
(Unsecured, considered good)		
Security deposits	111.61	82.72
Loan to Related Parties	280.00	270.00
Loan to Others	226.76	226.76
	<u>618.37</u>	<u>579.48</u>

Note No : 6

Other Financial assets

(Unsecured, considered good)		
Fixed deposits with banks	-	0.15
	<u>-</u>	<u>0.15</u>

Note No : 7

Other Non - Current Assets

(Unsecured, considered good)		
Capital advances	2.69	7.71
Prepaid Expenses	2.84	14.12
	<u>5.53</u>	<u>21.83</u>

Note No : 8

Inventories

(At lower of cost and net realizable value, unless stated otherwise)

Raw Materials	2,631.49	1,675.41
Raw Materials in Transit	213.60	152.74
Work-in-Progress	1,032.67	858.30
Finished Goods	1,924.73	2,464.92
Finished Goods in Transit	-	65.85
Stock in Trade	330.15	404.18
Stock in Trade in Transit	10.35	41.77
Stores & Spares and Chemicals	320.34	326.83
Stores & Spares and Chemicals in Transit	2.11	9.12
	<u>6,465.44</u>	<u>5,999.12</u>

Note No : 9

Trade receivables

Trade receivables considered good - Unsecured*	2,357.30	2,136.27
Trade receivables - Credit Impaired	24.27	22.92
Less:- Provision for Expected credit loss	24.27	22.92
	<u>2,357.30</u>	<u>2,136.27</u>

* includes ` 106.61 Lakhs/- (Previous year ` 99.07 Lakhs) under litigation.

Note No :10

Cash and bank balances

Cash and cash equivalents		
Balances with banks	9.31	11.69
Cheques, drafts on hand	17.76	4.16
Cash on hand	5.29	4.28
	<u>32.36</u>	<u>20.13</u>
	<u>32.36</u>	<u>20.13</u>

Notes to Accounts (Contd.)

		As at 31 st March, 2019	As at 31 st March, 2018
` in Lakhs			
Note No : 11			
Other bank balances			
Fixed deposits with banks		276.87	47.42
(Original maturity period above 3 Months but below 12 months)			
		<u>276.87</u>	<u>47.42</u>
Note No : 12			
Loans			
(Unsecured, considered good)			
Security deposits		45.70	63.34
		<u>45.70</u>	<u>63.34</u>
Note No : 13			
Other			
Interest accrued		25.55	14.03
Claim Receivable		–	0.13
		<u>25.55</u>	<u>14.16</u>
Note No : 14			
Current Tax Assets (Net)			
Advance tax (net)		37.58	22.66
		<u>37.58</u>	<u>22.66</u>
Note No : 15			
Other Current Assets			
(Unsecured, considered good)			
Advance to suppliers and others		561.67	590.78
Balance with Statutory Authorities		14.01	11.97
Prepaid expenses		73.17	64.70
		<u>648.85</u>	<u>667.45</u>
Note No : 16			
Equity Share capital			
Particulars	As at 31st March, 2019	As at 31st March, 2018	
	No. of shares	Amount	No. of shares
		` in lakhs	Amount
			` in lakhs
(a) Authorised:			
Equity shares of ` 10/- each	25,000,000	2,500.00	25,000,000
(b) Issued:			
Equity shares of ` 10/- each	6,640,667	664.08	4,697,810
	6,640,667	664.08	4,697,810
(c) Subscribed and Paid up:			
Equity shares of ` 10/- each fully paid up	6,460,742	646.08	4,517,885
Forfeited Equity Shares of ` 10 each (Amount originally paid up)	5,625	0.28	5,625
		<u>646.36</u>	<u>452.07</u>
(d) Shares to be issued in pursuant to scheme of amalgamation			
Opening Balance	1,942,857	194.29	1,942,857
Shares issued in pursuant to scheme of amalgamation	(1,942,857)	(194.29)	–
Closing Balance	–	–	1,942,857
(e) Reconciliation of number and amount of equity shares outstanding :			
At the beginning of the year	6,460,742	646.08	4,517,885
Shares to be issued pursuant to scheme of Amalgamation	(1,942,857)	(194.29)	1,942,857
Add: Shares issued in pursuant to scheme of amalgamation	1,942,857	194.29	–
At the end of the year	6,460,742	<u>646.08</u>	<u>6,460,742</u>

Notes to Accounts (Contd.)

- (f) The Company has only one class of equity shares having a par value of ` 10 per share. Each holder of equity shares is entitled to one vote per share. The holders of equity shares are entitled to receive dividends as declared from time to time. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- (g) There are NIL (Previous year NIL) shares reserved for issue under option and contracts / commitment for the sale of shares/disinvestment.
- (h) During the period of five years immediately preceding the reporting date:
- No shares were issued for consideration other than cash
 - No bonus shares were issued
 - No shares were bought back
- (i) There are NIL (Previous year NIL) securities convertible into Equity/ Preference Shares.
- (j) There are NIL (Previous year NIL) calls unpaid including calls unpaid by Directors and Officers as on the balance sheet date.
- (k) No shares were forfeited during the year or during the previous year. 5625 equity shares of ` 10/- on which ` 5/- each had been paid up, were forfeited in the year 1995-1996 and 1996-1997.
- (l) Pursuant to the scheme, the company has issued 1942857 shares to the shareholders of P S Plywood Products Private Ltd. in the ratio of two shares for every seven shares held in P S Plywood Products Private Ltd. on 6th October, 2018.
- (m) Shareholders holding more than 5 % of the equity shares in the Company :

Name of Shareholder	As at 31 st March, 2019		As at 31 st March, 2018	
	No. of shares held	% of holding	No. of shares held	% of holding
i) Cuckoo Fiscal Services Ltd.	366374	5.67	372000	8.23
ii) Sudeep Chitlangia	365668	5.66	358350	7.93
iii) Jaydeep Chitlangia	351614	5.44	344300	7.62
iv) Abhinandan Fintex (P) Ltd.	275000	4.26	275000	6.09
v) Sheela Chitlangia	271650	4.20	271650	6.01
vi) Aashray Enterprises (P) Ltd.	723657	11.20	-	-
vii) Poushali Sales (P) Ltd.	594228	9.20	160000	3.54
TOTAL	2948191	45.63	1781300	39.42

Note No : 17

	As at 31 st March, 2019	As at 31 st March, 2018
	in lakhs	in lakhs
Other Equity		
(a) Securities premium		
Balance as per last account	754.15	754.15
(b) General reserve *		
Balance as per last account	1,216.84	1,216.84
(c) Retained Earning		
Balance as per last account	5,236.82	5,711.61
Add : Profit / (Loss) for the Year	98.23	(474.79)
	5,335.05	5,236.82
(d) Other Comprehensive Income (OCI)		
As per last Balance Sheet	(117.25)	(105.37)
Add: Movement in OCI(Net) during the year	(74.19)	(11.88)
	(191.44)	(117.25)
	7,114.60	7,090.56

* General reserve is primarily created to comply with the requirements of section 123(1) of Companies Act, 2013. This is a free reserve and can be utilised for any general purpose.

Notes to Accounts (Contd.)

	As at 31 st March, 2019	in Lakhs As at 31 st March, 2018
Note No : 18		
Borrowings		
Term Loans		
Secured		
From banks	-	14.20
From entities other than banks	841.59	528.85
Unsecured		
From banks	30.23	48.11
From entities other than banks	18.56	-
	890.38	591.16
Less :- Current Maturities Long term Debt	138.88	208.20
	751.50	382.96

(a) Nature of securities

Term loan from entities other than banks is secured by first charge on the Company's immovable properties situated at Jeypore (Assam) and Kolkata by deposit of title deeds and also by hypothecation of all plant and machinery and other fixed assets of the Company, both present & future, and is additionally secured by personal guarantee of the Managing Director.

(b) Terms of repayment:

Particulars	Amount outstanding as on Balance Sheet date		Period of maturity w.r.t. Balance Sheet date	Number of instalments Outstanding as on 31/03/2019	Amount of instalment
	Non-Current in lakhs	Current in lakhs			
Secured Loans from Banks**	- (-)	- (14.20)	-	- -	- -
Secured Loans from entities other than Banks**	- (-)	- (97.91)	-	- -	- -
	255.27 (352.46)	97.20 (78.48)	2 Yrs 11 Months	11	800,000
				12	1,000,000
				8	1,200,000
				4	1,250,000
	477.21 (-)	11.91 (-)	15 Yrs 8 Months	188	561,726*
Unsecured Loans from Banks	3.89 (8.06)	3.91 (3.32)	1Yr 11 Months	23	36,843 *
	10.19 (18.20)	8.01 (6.80)	2Yrs 1 Month	25	76,583 *
	2.11 (4.24)	2.12 (1.95)	1Yr 11 Months	23	20,032 *
	- (-)	- (5.54)	-	-	48,800 *
Unsecured Loans from entities other than Banks	0.74 (-)	4.14 (-)	1Yr 2 Months	14	37,760 *
	2.09 (-)	11.59 (-)	1Yr 2 Months	14	106,500 *
Total	751.50 (382.96)	138.88 (208.20)			

Figures in the brackets pertain to previous year.

* Includes Interest

** Processing fees amortise as per IND AS



Notes to Accounts (Contd.)

	As at 31 st March, 2019	As at 31 st March, 2018
Note No :19		
Other Financial Liabilities		
Others	50.00	50.00
	<u>50.00</u>	<u>50.00</u>
Note No :20		
Provisions		
Provision for employee benefits	199.24	171.85
	<u>199.24</u>	<u>171.85</u>
Note No : 21		
Deferred tax Liabilities (Net)		
(a) Deferred tax assets :		
Expenses allowable for tax purposes when paid	82.72	67.23
Carry Forward Loss	1,292.74	1,361.14
	<u>1,375.46</u>	<u>1,428.37</u>
(b) Deferred tax liabilities :		
Depreciation	216.60	271.27
Fair Valuation of Free Hold Land	1,627.77	1,598.11
	<u>1,844.37</u>	<u>1,869.38</u>
Deferred tax Liabilities (Net) *	<u>468.91</u>	<u>441.01</u>
* Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.		
Note No :22		
Other Non - Current Liabilities		
Deferred Government Grant	119.89	132.73
	<u>119.89</u>	<u>132.73</u>
Note No : 23		
Borrowings		
Secured		
From banks		
Buyers Credit*	—	918.74
Working Capital Loan	3,132.49	2,947.74
	<u>3,132.49</u>	<u>2,947.74</u>
Unsecured		
From entities other than banks	849.00	868.00
	<u>849.00</u>	<u>868.00</u>
	<u>3,981.49</u>	<u>4,734.48</u>
Nature of securities:		
Working capital loan and Buyers Credit are secured by hypothecation of present & future stocks and book debts and second charge on the Company's immovable properties situated at Jeypore (Assam) by deposit of title deeds and also by second charge on all plant & machinery and other fixed assets of the Company, both present & future, and are additionally secured by personal guarantees of the Managing Director.		
* Buyers Credit is payable within 3 to 6 Months		
Note No : 24		
Trade Payables		
Outstanding dues of micro enterprises and small enterprises	—	—
Outstanding dues other than of micro enterprises and small enterprises	6,423.77	5,196.09
	<u>6,423.77</u>	<u>5,196.09</u>

Notes to Accounts (Contd.)

	As at 31 st March, 2019	As at 31 st March, 2018
Note No : 25		
Other Financial Liabilities		
Current maturities of long - term debt	138.88	208.20
Derivative Liabilities	-	1.70
Interest accrued and due on borrowings	0.03	2.07
Interest accrued but not due on borrowings	3.53	4.57
Unpaid salaries and other payroll dues	310.27	324.46
Security deposits	91.14	109.54
	<u>543.85</u>	<u>650.54</u>
Note No : 26		
Other current liabilities		
Advances from Agents and Customers	157.93	197.54
Statutory liabilities	141.02	152.55
Others	1.91	2.41
	<u>300.86</u>	<u>352.50</u>
	<u>300.86</u>	<u>352.50</u>
Note No :27		
Provisions		
Provision for employee benefits	48.55	22.38
	<u>48.55</u>	<u>22.38</u>
	<u>48.55</u>	<u>22.38</u>
Note No : 28	Year ended 31 st March, 2019	Year ended 31 st March, 2018
Revenue from operations		
Sale of goods (Gross)		
A. Manufactured Goods		
i) Plywood	16,962.15	16,678.09
ii) Tea	2,577.21	2,130.59
iii) Veneers	294.44	1,034.91
	<u>19,833.80</u>	<u>19,843.59</u>
B. Stock-in-trade		
i) Plywood	2,470.21	2,124.96
ii) Furniture	1.00	0.21
	<u>2,471.21</u>	<u>2,125.17</u>
C. Others	447.46	56.50
	<u>22,752.47</u>	<u>22,025.26</u>
Note No : 29		
Other operating revenues		
Sales Tax Subsidy	-	106.62
Interest Subsidy	81.38	-
Insurance Claims	14.64	5.28
	<u>96.02</u>	<u>111.90</u>
Note No : 30		
Other income		
Interest income (Gross)		
Fixed deposits with banks	6.80	1.74
Others	36.79	29.34
	<u>43.59</u>	<u>31.08</u>
Dividend income	0.67	3.16
Government Grant	12.84	12.85
Profit on Fair Value of Quoted Investments	-	0.44
Profit on Sale of Investments	-	0.67
Profit on Sale / Discard of Property, Plant and Equipment	5.59	-
Rent	3.66	3.44
Unspent liabilities / balances written back	5.57	1.42
Miscellaneous income	0.56	0.45
Foreign Exchange Fluctuations	-	43.14
	<u>72.48</u>	<u>96.65</u>



Notes to Accounts (Contd.)

	Year ended 31 st March, 2019	Year ended 31 st March, 2018	
Note No : 31			
Cost of materials consumed			
Timber	–	2,624.72	
Veneer	5,455.84	4,761.63	
Planks & Beams	936.91	1,183.96	
Green Leaf	1,781.04	1,430.59	
Others	2,183.91	1,653.60	
	<u>10,357.70</u>	<u>11,654.50</u>	
Note No : 32			
Purchases of stock-in-trade			
Plywood	1,855.19	1,766.48	
Others	427.93	–	
	<u>2,283.12</u>	<u>1,766.48</u>	
Note No : 33			
Changes in inventories of finished goods, work-in-progress and stock-in-trade			
A. Finished Goods			
Opening Stock			
i) Plywood	1,737.55	1,504.48	
ii) Tea	93.11	74.04	
iii) Veneer	700.11	508.16	
	<u>2,530.77</u>	<u>2,086.68</u>	
Closing Stock			
i) Plywood	1,346.96	1,737.55	
ii) Tea	140.16	93.11	
iii) Veneer	437.61	700.11	
	<u>1,924.73</u>	<u>2,530.77</u>	(444.09)
B. Stock-in-Trade			
Opening Stock			
i) Plywood	381.09	297.86	
ii) Furniture	47.87	51.66	
	<u>428.96</u>	<u>349.52</u>	
Less:- Capitalised			
i) Furniture	–	3.26	
Closing Stock			
i) Plywood	296.71	381.09	
ii) Furniture	43.80	47.87	
	<u>340.51</u>	<u>428.96</u>	(82.70)
C. Work-in-Progress			
Opening Stock			
i) Plywood	858.30	650.15	
Closing Stock			
i) Plywood	1,032.68	858.30	(208.15)
NET (INCREASE) / DECREASE IN STOCKS	<u>520.11</u>	<u>858.30</u>	<u>(734.94)</u>

Notes to Accounts (Contd.)

	Year ended 31 st March, 2019	Year ended 31 st March, 2018
Note No : 34		
Employee benefits expense		
Salaries and wages	2,278.22	2,811.11
Contribution to provident and other funds	194.56	227.12
Staff welfare expense	34.78	50.71
	<u>2,507.56</u>	<u>3,088.94</u>
Note No : 35		
Finance costs		
Interest expense		
On long term borrowings	59.45	95.13
On short term borrowings	573.12	490.16
On others	25.97	28.44
Exchange difference regarded as an adjustment to borrowing Costs	28.81	37.66
Other borrowing costs	21.43	39.91
	<u>708.78</u>	<u>691.30</u>
Note No : 36		
Other expenses		
Chemicals Consumption	962.01	1,057.71
Consumption of stores and spare parts	140.64	203.58
Consumption of packing materials	90.80	90.12
Power and fuel	809.15	776.41
Repairs		
Buildings	2.98	14.65
Machinery	43.42	49.43
Others	5.98	12.64
Job Charges	1,053.71	545.95
Rent	188.94	175.81
Electricity	33.88	27.07
License Fees	9.88	9.92
Rates & Taxes (excluding taxes on income)	24.56	28.02
Watch and Ward Expenses	22.91	21.08
Insurance	28.76	40.48
Communication Expenses	40.72	55.58
Travelling & Conveyance	220.91	235.35
Vehicles Maintenance	77.16	80.49
Printing & Stationery	15.87	16.49
Legal and Professional Charges	295.23	308.80
Director Sitting Fees	3.66	3.13
Miscellaneous Expenses	169.99	168.34
Statutory Auditors' Remuneration		
Audit Fee	2.10	2.50
Tax Audit Fee	0.50	0.70
Certification Fee	1.00	0.78
Charity & Donations	1.10	0.72
Bank charges	14.49	23.08
Forwarding, Freight, Octroi and Delivery Expenses	925.06	803.34
Commission on Sales	187.96	179.20
Brokerage on Sales	20.41	18.77
Forward Premium amortized	9.23	56.56
Foreign Exchange Fluctuations	65.71	-
Advertisement, Publicity & Sales Promotion	686.35	592.17
Loss on Sale / Discard of Property, Plant and Equipment	-	1.24
Loss on Fair Value of Quoted Investments	0.61	-
Bad Debts	0.09	1.60
Provision for Doubtful Debts	1.35	2.41
Royalty Paid	37.75	9.00
	<u>6,194.87</u>	<u>5,613.12</u>



Notes to Accounts (Contd.)

Note No. : 37

Other disclosures

1. Scheme of Amalgamation

During the current year, the Hon'ble NCLT vide its order dated 10th August, 2018, approved the Scheme of Amalgamation of M/S P S Plywood Products Private Limited, an associate of the company, with effect from 1st April, 2016 with the company. Certified Copy of the order of Hon'ble NCLT was filed with Registrar of the Companies ('ROC') on 16th September, 2018.

The Hon'ble NCLT's order overrides the requirements of Ind AS 103, Business Combination, and hence the company has considered the date of amalgamation as 1st April, 2016. The amalgamation has been accounted for in accordance with "Pooling of Interest Method" laid down by Appendix C of Indian Accounting Standard 103 (Ind AS 103): (Business combination of entities under common control), notified under the Companies Act, 2013 as amended. The Company has considered the said amalgamation as a business combination from the appointed date and accordingly has restated its results for the comparative quarters/periods including Earning Per Share. ('EPS')

Pursuant to the scheme, the company has issued 1942857 shares to the shareholders of P S Plywood Products Private Ltd. in the ratio of two shares for every seven shares held in P S Plywood Products Private Ltd. on 6th October, 2018.

The Amalgamation of the Company will help the Transferee Company to achieve synergies in market share, obtain economies of scale, avoid and eliminate unnecessary cost, duplication of costs of administration, streamline its business and help it to carry on its business more efficiently.

A table showing the effect of restatement is given below: -

	` in Lakhs		
Balance Sheet (extract)	1st April, 2017	Effect of restatement	1st April, 2017 (Restated)
ASSETS			
Non - Current Assets			
(a) Property, plant and equipment	1,553.90	8,730.50	10,284.40
(b) Capital work-in-progress	23.53	-	23.53
(c) Intangible assets	42.14	-	42.14
(d) Financial Assets			
Investments	4,375.83	(4,374.10)	1.73
Loans	77.71	456.76	534.47
(e) Deferred Tax Assets (Net)	1,162.16	(1,605.13)	(442.97)
(f) Other Non - Current Assets	29.47	-	29.47
Total Non-Current Assets	7,264.74	3,208.03	10,472.77
Current assets			
(a) Inventories	6,217.23	-	6,217.23
(b) Financial Assets			
Trade receivables	1,996.21	-	1,996.21
Cash and Cash Equivalents	30.14	3.13	33.27
Other Bank Balances	0.59	-	0.59
Loans	41.04	20.90	61.94
Others	-	5.18	5.18
(c) Current Tax Assets (Net)	24.19	(0.56)	23.63
(d) Other current assets	876.98	2.07	879.05
Total Current Assets	9,186.38	30.72	9,217.10
TOTAL ASSETS	16,451.12	3,238.75	19,689.87
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	452.07	194.29	646.36
(b) Other Equity	4,358.85	3,218.38	7,577.23
Total Equity	4,810.92	3,412.67	8,223.59

Notes to Accounts (Contd.)

	` in Lakhs		
Balance Sheet (extract)	1 st April, 2017	Effect of restatement	1 st April, 2017 (Restated)
Non - current liabilities			
(a) Financial Liabilities			
Borrowings	548.63	-	548.63
Other Financial Liabilities	-	50.00	50.00
(b) Provisions	164.18	-	164.18
(c) Other Non - Current Liabilities	145.58	-	145.58
Total Non - current liabilities	858.39	50.00	908.39
Current liabilities			
(a) Financial Liabilities			
Borrowings	4,787.63	(234.37)	4,553.26
Trade payables	5,014.04	7.01	5,021.05
Other Financial Liabilities	628.02	2.60	630.62
(b) Other current liabilities	337.02	0.84	337.86
(c) Provisions	15.10	-	15.10
Total current liabilities	10,781.81	(223.92)	10,557.89
TOTAL EQUITY AND LIABILITIES	16,451.12	3,238.75	19,689.87
ASSETS			
Non - Current Assets			
(a) Property, plant and equipment	1,564.29	8,697.77	10,262.06
(b) Intangible assets	35.24	-	35.24
(c) Financial Assets			
Investments	4,376.25	(4,374.10)	2.15
Loans	82.87	496.61	579.48
Others	-	0.15	0.15
(d) Deferred Tax Assets (Net)	1,162.16	(1,162.16)	-
(e) Other Non - Current Assets	21.83	-	21.83
Total Non-Current Assets	7,242.64	3,658.27	10,900.91
Current assets			
(a) Inventories	5,999.12	-	5,999.12
(b) Financial Assets			
Trade receivables	2,136.27	-	2,136.27
Cash and Cash Equivalents	17.65	2.48	20.13
Other Bank Balances	47.42	-	47.42
Loans	39.05	24.29	63.34
Others	-	14.16	14.16
(c) Current Tax Assets (Net)	25.19	(2.53)	22.66
(d) Other current assets	663.91	3.54	667.45
Total Current Assets	8,928.61	41.94	8,970.55
TOTAL ASSETS	16,171.25	3,700.21	19,871.46
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	452.07	194.29	646.36
(b) Other Equity	3,858.42	3,232.14	7,090.56
Total Equity	4,310.49	3,426.43	7,736.92
Non - current liabilities			
(a) Financial Liabilities			
Borrowings	382.96	-	382.96
Other Financial Liabilities	-	50.00	50.00
(b) Provisions	171.85	-	171.85
(c) Deferred Tax Liabilities (Net)	-	441.01	441.01
(d) Other Non - Current Liabilities	132.73	-	132.73
Total Non - current liabilities	687.54	491.01	1,178.55



Notes to Accounts (Contd.)

` in Lakhs

Balance Sheet (extract)	1 st April, 2017	Effect of restatement	1 st April, 2017 (Restated)
Current liabilities			
(a) Financial Liabilities			
Borrowings	4,963.48	(229.00)	4,734.48
Trade payables	5,189.08	7.01	5,196.09
Other Financial Liabilities	647.46	3.08	650.54
(b) Other current liabilities	350.82	1.68	352.50
(c) Provisions	22.38	-	22.38
Total current liabilities	11,173.22	(217.23)	10,955.99
TOTAL EQUITY AND LIABILITIES	16,171.25	3,700.21	19,871.46

` in Lakhs

Statement of Profit or Loss (extract)	31 st March, 2018 (as previously reported)	Effect of restatement	31 st March, 2018 (Restated)
Revenue from operations			
Sale of goods	22,025.26	-	22,025.26
Other operating Income	111.90	-	111.90
Total Revenue from Operations	22,137.16	-	22,137.16
Other income	67.32	29.33	96.65
Total revenue	22,204.48	29.33	22,233.81
Expenses:			
Cost of materials consumed	11,654.50	-	11,654.50
Purchases of stock-in-trade	1,766.48	-	1,766.48
Changes in inventories of finished goods, work -in-progress and stock-in-trade	(734.94)	-	(734.94)
Excise duty (Inclusive of Tea Cess)	381.47	-	381.47
Employee benefits expense	3,084.90	4.04	3,088.94
Finance costs	719.45	(28.15)	691.30
Depreciation and amortization expense	195.12	49.70	244.82
Other expenses	5,626.05	(12.93)	5,613.12
Total expenses	22,693.03	12.66	22,705.69
Profit/(Loss) before tax for the year	(488.55)	16.67	(471.88)
Tax expense :			
Current tax	-	4.87	4.87
Deferred tax	-	(1.96)	(1.96)
Profit/(Loss) after tax for the year	(488.55)	13.76	(474.79)
Other Comprehensive Income			
i) Items that will not be reclassified to Profit and Loss			
- Remeasurement of Defined Benefit Liabilities	(11.88)	-	(11.88)
Total Comprehensive Income for the year	(500.43)	13.76	(486.67)

Notes to Accounts (Contd.)

Note No. 37 (Contd.)	As at 31 st March, 2019 ` in Lakhs	As at 31 st March, 2018 ` in Lakhs
2. Estimated amount of contract remaining to be executed on Capital Account and not provided for	4.50	41.74
3. Contingent Liabilities not provided for in respect of :		
a) Uncalled Capital against partly paid-up shares held as investment	0.08	0.08
b) Demand raised by Govt. authorities in respect of Taxes and Duties and contested by the Company	1,325.03	1,340.06
Amount Paid against above	-	0.75

4. The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31st March, 2019 as micro or small or medium enterprises. Consequently the amount due to micro and small enterprises as per section 22 of the abovesaid Act is ` Nil (Previous year ` Nil).

5. Leases

Finance lease commitments - Company as lessee

The Company has also entered into finance leases on Vehicle and Equipment purchase with lease terms of 3 years. The Company has paid ` 26.43 Lakhs (31st March, 2018: ` 10.50 Lakhs) during the year towards minimum lease payment.

Operating lease commitments - Company as lessee

The Company has entered into operating lease agreement for office space and godowns. The total charge to the Statement of Profit and Loss for the year on account of operating lease is ` 188.94 Lakhs (31st March, 2018: ` 175.81 Lakhs)

The minimum rentals payable under operating leases for non cancellable agreements are as follows:

Particulars	(` in Lakhs)	
	2018-19	2017-18
Within one year	169.72	144.69
After one year but not more than five years	327.97	217.12
More than five years	3.26	5.77

6. For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company net debt includes interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

Particulars	(` in Lakhs)	
	31 st March 2019	31 st March 2018
Borrowings (Note - 18 and 23)	4,871.87	5,325.64
Trade payables (Note-24)	6,423.77	5,196.09
Less: Cash and cash equivalents (Note-10)	32.36	20.13
Net debt	11,263.28	10,501.60
Equity	7,760.96	7,736.92
Capital and net debt		
Gearing ratio	1.45	1.36

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2019 and 31st March, 2018.

Notes to Accounts (Contd.)

Note No. 37 (Contd.)

7. Financial instruments by category

(a) Fair value of financial assets and liabilities measured at amortised cost

(` in Lakhs)

Particulars	31 st March, 2019		31 st March, 2018	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Non current financial assets				
(i) Investments	(0.61)	1.55	0.44	2.15
(ii) Other non current financial assets		618.37		579.48
Current financial assets				
(i) Trade receivables		2,357.30		2,136.27
(ii) Cash and cash equivalents		32.36		20.13
(iii) Bank Balance other than above		276.87		47.42
(iv) Other current financial assets		45.70		63.34
Total Financial assets	(0.61)	3,332.15	0.44	2,848.79
Non Current financial Liabilities				
(i) Borrowings		751.50		382.96
(ii) Other non current financial liabilities		119.89		132.73
Current financial liabilities				
(i) Borrowings		3,981.49		4,734.48
(ii) Trade payable		6,423.77		5,196.09
(iii) Other current financial liabilities	-	543.85	1.70	648.84
Total financial liabilities	-	11,820.50	1.70	11,095.10

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair value since the company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

(b) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets

(` in Lakhs)

Particulars	Fair value measurement using		
	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant un-observable inputs (Level 3)
Quantitative disclosures fair value measurement hierarchy for assets as at 31st March, 2019			
Assets measured at fair value			
Investments	(0.61)		
Liabilities measured at fair value			
Derivative Liabilities		-	
Quantitative disclosures fair value measurement hierarchy for assets as at 31st March, 2018			
Assets measured at fair value			
Investments	0.44		
Liabilities measured at fair value			
Derivative Liabilities		1.70	

Notes to Accounts (Contd.)

8. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include Investments, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The management reviews and agrees policies for managing each risk, which are summarised as below:

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risks. Financial instruments affected by market risk include Trade payables and borrowings in foreign currencies.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable and Fixed interest rates.

(` in Lakhs)

Descriptions	31 st March, 2019	31 st March, 2018
Variable rate borrowings	3,621.62	2,947.74
Fixed rate borrowings	1,250.25	2,377.90

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variable held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(` in Lakhs)

Descriptions	Effect on Profit before tax	
	31 st March, 2019	31 st March, 2018
Increase by 50 basis points	(18.11)	(14.74)
Decrease by 50 basis points	18.11	14.74

b) Foreign currency risks

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure in foreign currency is in purchase of raw material through letter of credits. The Company is not restricting its exposure of risk in change in exchange rates. The Company expects the Indian Rupee to strengthen and accordingly the Company is carrying the risk of change in exchange rates.

Unhedged foreign currency exposure

(in Lakhs)

Descriptions	Effect on Profit before tax	
	31 st March, 2019	31 st March, 2018
Trade creditors		
Rs.	939.33	1,485.60
USD	11.61	18.60
EUR	1.82	3.43

Notes to Accounts (Contd.)
Derivatives outstanding

(in Lakhs)

Descriptions	Effect on Profit before tax	
	31 st March, 2019	31 st March, 2018
Hedge of import trade payables		
USD	-	7.61
EUR	-	-
Rs	-	496.42

Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in USD/EURO exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

(in Lakhs)

Descriptions	Effect on Profit before tax	
	31 st March, 2019	31 st March, 2018
USD/EURO Sensitivity		
Increase by 5%	46.97	74.28
Decrease by 5%	(46.97)	(74.28)

B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

(i) Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 9. The Company does not hold collateral as security.

(ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Company's maximum exposure to credit risk for the components of the balance sheet at 31st March, 2019 and 31st March, 2018 is the carrying amount as illustrated in Note 37(7).

Gross carrying amount of trade receivables

(' in Lakhs)

Descriptions	31 st March, 2019	31 st March, 2018
Ageing		
Not due	1,336.75	1,392.50
0-30 days past due	319.21	240.61
31-60 days past due	87.06	85.41
61-90 days past due	40.56	35.94
91-180 days past due	280.70	43.69
181-365 days past due	16.48	97.67
more than 365 days	300.81	263.37

C) Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of

Notes to Accounts (Contd.)

risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders. The Company had access to the following undrawn borrowing facilities at the end of the reporting periods -

(` in Lakhs)

Descriptions	31 st March, 2019	31 st March, 2018
Floating rate		
(a) Expiring within one year (Bank overdraft and other facilities)		
Secured		
- Current maturities of long term debt	138.88	208.20
- Working capital loan	3,132.49	2,947.74
- Buyer's credit	-	918.74
Unsecured		
- Short term loans	849.00	868.00
(b) Expiring beyond one year (Bank loans)		
Secured		
- Rupees term loan from banks	-	-
- Rupees term loan from financial institutions	732.48	352.46
Unsecured		
- Term loan from banks	16.19	30.50
- Term loan from financial institutions	2.83	-

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments -

(` in Lakhs)

Descriptions	Less than 3 months	3 to 6 months	6 to 12 months	1 to 2 years	2 to 5 years
Year ended 31 st March, 2019					
Contractual maturities of borrowings	26.85	26.94	55.33	134.62	184.58
Contractual maturities of finance lease obligations	7.13	7.33	15.29	17.51	1.52
Contractual maturities of trade payables	1,384.14	1,298.69	-	-	-
Year ended 31 st March, 2018					
Contractual maturities of borrowings	703.16	341.58	65.61	98.00	253.44
Contractual maturities of finance lease obligations	4.19	4.57	9.46	14.09	15.50
Contractual maturities of trade payables	644.32	418.96	-	-	-

9. Disclosure pursuant to IND AS - 19 on "Employee Benefits"

Defined Contribution Plan:

Employee benefits in the form of Provident Fund, Pension Scheme and Superannuation Fund are considered as defined contribution plan and the contributions are made in accordance with the relevant statute and are recognized as an expense when employees have rendered service entitling them to the contributions. The contribution to defined contribution plan, recognized as expense for the year are as under:

	2018-19	2017-18
	(` in Lakhs)	(` in Lakhs)
Employers' Contribution to Provident Fund & Pension Fund	130.15	164.19
Employers' Contribution to Superannuation Fund	11.81	9.15

Notes to Accounts (Contd.)
Defined Benefit Plan:

Post employment and other long-term employee benefits in the form of gratuity, sick leave and earned leave encashment are considered as defined benefit obligation. The present value of obligation is determined based on actuarial valuation using projected unit credit method as at the Balance Sheet date. The amount of defined benefits recognized in the balance sheet represent the present value of the obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of plan assets.

Any asset resulting from this calculation is limited to the discounted value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The amounts recognised in the Profit & Loss Statement and Balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Gratuity and other post-employment benefit plans

(₹ in Lakhs)

Descriptions	31 st March, 2019	31 st March, 2018
Gratuity Plan	117.88	76.23
Sick Leave	9.88	6.84
Leave Encashment	120.03	111.16
Total	247.79	194.23

Changes in defined benefit obligation

(₹ in Lakhs)

Descriptions	31 st March, 2019			31 st March, 2018		
	Gratuity	Sick Leave	Leave Encashment	Gratuity	Sick Leave	Leave Encashment
Present value obligation as at the start of the year	393.08	6.84	111.16	353.97	6.19	104.60
Interest cost	26.72	0.53	6.64	25.32	0.46	6.58
Current service cost	38.95	1.03	17.71	34.72	1.18	13.79
Benefits paid	92.07	-	49.88	32.67	-	33.83
Actuarial loss/(gain) on obligations	33.84	1.48	34.40	11.74	(0.99)	20.02
Present value obligation as at the end of the year	400.52	9.88	120.03	393.08	6.84	111.16

Change in fair value of plan assets

(₹ in Lakhs)

Descriptions	31 st March, 2019			31 st March, 2018		
	Gratuity	Sick Leave	Leave Encashment	Gratuity	Sick Leave	Leave Encashment
Fair value of plan assets as at the start of the year	316.85	NA	NA	285.49	NA	NA
Return on plan assets	24.40	NA	NA	21.41	NA	NA
Actuarial loss/(gain)	(4.46)	NA	NA	0.14	NA	NA
Contribution	37.92	NA	NA	42.76	NA	NA
Benefits paid	92.07	NA	NA	32.67	NA	NA
Fair value of plan assets as at the end of the year	282.64			316.85	-	-

Breakup of Actuarial gain/loss:

(₹ in Lakhs)

Descriptions	31 st March, 2019			31 st March, 2018		
	Gratuity	Sick Leave	Leave Encashment	Gratuity	Sick Leave	Leave Encashment
Actuarial (gain)/loss on arising from change in financial assumption	(5.06)	(0.16)	(25.35)	-	-	
Actuarial (gain)/loss on arising from experience adjustment	38.90	1.64	59.75	11.74	(0.99)	20.02
Return on plan assets (greater)/less than discount rate	-	-	-	-	-	-

Notes to Accounts (Contd.)

Reconciliation of present value of defined benefit obligation and the fair value of plan assets (` in Lakhs)

Descriptions	31 st March, 2019			31 st March, 2018		
	Gratuity	Sick Leave	Leave Encashment	Gratuity	Sick Leave	Leave Encashment
Present value obligation as at the end of the year	400.52	9.88	120.03	393.08	6.84	111.16
Fair value of plan assets as at the end of the year	282.64	-	-	316.85	-	-
Net asset/(obligation) recognized in balance sheet	117.88	9.88	120.03	76.23	6.84	111.16

Amount recognized in the statement of profit and loss (` in Lakhs)

Descriptions	31 st March, 2019			31 st March, 2018		
	Gratuity	Sick Leave	Leave Encashment	Gratuity	Sick Leave	Leave Encashment
Current service cost	38.95	1.03	17.71	34.72	1.18	13.79
Interest cost	26.72	0.53	6.64	25.32	0.46	6.58
Expected Return on the Plan Assets	24.40	NA	NA	21.41	NA	NA
Actuarial gain/(loss) recognized in the year	29.38	1.48	34.40	11.59	(0.99)	20.02
(Income)/Expense recognised in the statement of profit and loss	41.27	3.04	58.75	38.63	0.65	40.39

Amount recognised in the statement of Other Comprehensive Income (` in Lakhs)

Descriptions	31 st March, 2019			31 st March, 2018		
	Gratuity	Sick Leave	Leave Encashment	Gratuity	Sick Leave	Leave Encashment
Actuarial Gain/(Loss) for the year on PBO	(33.84)	-	-	(11.74)	-	-
Actuarial Gain/(Loss) for the year on Asset	4.46	-	-	(0.14)	-	-
Unrecognised actuarial Gain/(Loss) at the end of the year	(29.38)	-	-	(11.88)	-	-

Actuarial assumptions (` in Lakhs)

Descriptions	31 st March, 2019			31 st March, 2018		
	Gratuity	Sick Leave	Leave Encashment	Gratuity	Sick Leave	Leave Encashment
Discount rate	7.70%	7.70%	7.70%	7.50%	7.50%	7.50%
Future salary increase	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Sensitivity analysis (` in Lakhs)

Descriptions	31 st March, 2019			31 st March, 2018		
	Gratuity	Sick Leave	Leave Encashment	Gratuity	Sick Leave	Leave Encashment
Impact of the change in discount rate						
Present value of obligation at the end of the year	400.52	9.88	120.03	393.08	6.84	111.16
a) Impact due to increase of 1 %	375.52	9.13	132.28	346.83	6.04	98.08
b) Impact due to decrease of 1 %	432.80	10.75	155.47	453.55	7.90	128.26
Impact of the change in salary increase						
Present value of obligation at the end of the year	400.52	9.88	120.03	393.08	6.84	111.16
a) Impact due to increase of 1 %	434.98	10.81	156.35	471.69	8.21	133.39
b) Impact due to decrease of 1 %	373.23	9.06	131.37	314.46	5.47	88.93

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the reporting period.

Notes to Accounts (Contd.)

The following payments are expected contributions to the defined benefit plan in future years:

(` in Lakhs)

Descriptions	31 st March, 2019			31 st March, 2018		
	Gratuity	Sick Leave	Leave Encashment	Gratuity	Sick Leave	Leave Encashment
Within next 12 months	47.19	-	-	127.72	-	-

10. **Segment information as per IND AS - 108 on 'Segment Reporting' :**

The Company has identified two business segments viz. Plywood and Tea. Segments have been identified on the basis of the products of the company. Operating segment disclosed are consistent with the information provided to and reviewed by the Chief Operating Decision Maker (CODM).

- Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- Segment Assets and Segment Liabilities represent assets and liabilities of respective segments. Investments, tax related assets and other assets and liabilities that can not be allocated to a segment on reasonable basis have been disclosed as "Unallocable".
- Information about Primary Business Segments :

(` in Lakhs)

	Plywood	Tea	Others	Unallocated	Total
Segment Revenue	19,837.14	2,585.46	425.89	-	22,848.49
	(20,004.90)	(2,132.05)	(0.21)	-	(22,137.16)
Segment Results	852.03	30.38	(3.46)	-	878.95
	(212.26)	(29.94)	(-2.45)	-	(239.71)
Less : Finance Cost					708.78
					(691.30)
Other unallocable expenditure net of unallocable income					(44.03)
					(-20.34)
Total Profit / (Loss) before exceptional item and tax					126.14
					(-471.88)
Total Profit / (Loss) before tax					126.14
					(-471.88)
Other Information					
Segment Assets	19,666.72	817.99	101.18	63.13	20,649.02
	(18,950.74)	(790.09)	(102.45)	(28.18)	(19,871.46)
Segment Liabilities	7,336.36	207.39	-	5,344.31	12,888.06
	(6,176.30)	(186.64)	(0.39)	(5,771.21)	(12,134.54)
Capital Expenditure	(156.80)	26.81	-	-	(129.99)
	(196.49)	(12.29)	(-)	(-)	(208.78)
Depreciation & Amortisation	175.53	45.91	1.25		222.69
	(200.06)	(43.51)	(1.25)	(-)	(244.82)

Notes :

- There are no transactions between segments . Common costs are apportioned on a reasonable basis.
- Since the Company's activities / operations are primarily within the country, there is only one geographical segment.
- Figures in the brackets () pertain to previous year.

Notes to Accounts (Contd.)

	Year ended 31 st March, 2019	Year ended 31 st March, 2018
11. In calculating Earnings per share		
a) Numerator used :		
Profit / (Loss) after tax (` in Lakhs)	98.23	(474.79)
b) Denominator used in computing Basic Earning per Share:		
Weighted Average Number of Equity Shares	6,460,742	6,460,742
c) Denominator used in computing Diluted Earning per Share:		
Weighted Average Number of Equity Shares including potential Equity Shares	6,460,742	6,460,742
d) Nominal value of equity shares (`)	10.00	10.00
e) Basic Earnings per share (a/b) (`)	1.52	(7.35)
f) Diluted Earnings per share (a/c) (`)	1.52	(7.35)

12. Details of loan given during the year under section 186(4) of the Companies Act, 2013 are given under : - (` in Lakhs)

Particulars	Balance as at 1 st April, 2018	Loan Given During the year	Repaid/ adjusted during the year	Balance as at 31 st March, 2019
Aashray Enterprises Private Limited	97.00	-	25.00	72.00
Arunachal Plywood Industries Limited	226.76	-	-	226.76
Poushali Sales Private Limited	173.00	42.00	7.00	208.00
Total	496.76	42.00	32.00	506.76

13. Related Party Disclosures

Names of related parties & description of relationship

Enterprises over which KMP and his relatives have significant influence:

Abhinandan Fintex Private Ltd.
Aishani Infotech Private Ltd.
Aashray Enterprises Private Ltd.
Calcutta Technicians & Advisers Ltd.
Chitperi Farm Pvt. Ltd.
J S M & Company
Madhya Bharat Papers Ltd.
Poushali Sales Private Limited
Sujay Management Services LLP

Key Management Personnel :

Shri Sudeep Chitlangia (Managing Director)
Shri Ravi Kumar Murarka (CFO & Company Secretary)
Shri Sohan Lal Yadav (Director with effect from 01.04.2018)
Smt. Sheela Chitlangia (Non Executive Director)
Shri Sujit Chakravorty (Independent Director)
Dr. Kali Kumar Chaudhuri (Independent Director)
Shri Ratan Lal Gagar (Independent Director)
Shri Probir Roy (Independent Director)

Notes to Accounts (Contd.)

 Particulars of transactions during the year ended 31st March, 2019

(` in Lakhs)

Nature of Transactions	Associates/ Enterprises over which KMP and his relatives have significant influence	Key Management Personnel	Total
Rent Received	3.66	-	3.66
	(3.21)	-	(3.21)
Remuneration to KMP	-	77.43	77.43
	-	(102.02)	(102.02)
Sales	448.25	-	448.25
	(20.96)	-	(20.96)
Interest Received	28.10	-	28.10
	(24.00)	-	(24.00)
Interest Paid	3.44	-	3.44
	(-)	-	(-)
Rent Paid	7.32	-	7.32
	(4.92)	-	(4.92)
Royalty Paid	38.90	-	38.90
	(9.00)	-	(9.00)
Loan Taken	58.00	-	58.00
	(-)	-	(-)
Loan Given	42.00	-	42.00
	(40.00)	-	(40.00)
Refund of Loan Given	32.00	-	32.00
	-	-	-
Outstanding against Guarantees Obtained	-	6,167.79	6,167.79
	-	(5,472.82)	(5,472.82)
Balance Outstanding at the Balance Sheet Date	662.28 Dr	-	662.28 Dr
	(284.84 Dr)	(-)	(284.84 Dr)

Notes:

- Figures in the brackets pertain to previous year.
- The Company has neither written off nor written back any amount recoverable / payable from / to any related party during the year.
- The amount due from related parties are good and hence no provision for doubtful debts in respect of dues from such related parties is required.

Notes to Accounts (Contd.)

(₹ in Lakhs)

Disclosure of Material Transactions with Related Parties

	Year Ended 31 st March, 2019		Year Ended 31 st March, 2018	
Rent Received				
Madhya Bharat Papers Ltd.		0.66		0.66
J S M & Company		3.00		2.55
Interest Received				
Poushali Sales Private Limited		21.08		15.27
Aashray Enterprises Private Limited		7.02		8.73
Remuneration to KMP				
Shri Sudeep Chitlangia (Managing Director)		57.41		54.05
Short term employee benefit	51.29		48.29	
Post employment benefit	6.12		5.76	
Shri Sohan Lal Yadav (Whole Time Director upto 31.03.2018)		-		30.00
Short term employee benefit	-		30.00	
Shri Ravi Kumar Murarka (CFO & Company Secretary)		20.02		17.97
Short term employee benefit	18.93		16.93	
Post employment benefit	1.09		1.05	
Sales				
Madhya Bharat Papers Ltd.		427.57		15.96
Sujay Management Service LLP		21.19		-
Aishani Infotech Private Ltd.		-		5.00
Interest Paid				
Chitperi Farm Private Ltd.		3.44		-
Rent Paid				
J S M & Company		7.20		4.80
Madhya Bharat Papers Ltd.		0.12		0.12
Royalty Paid				
Chitperi Farm Private Ltd.		12.00		9.00
Aishani Infotech Private Ltd.		26.90		-
Loan Taken				
Chitperi Farm Private Ltd.		58.00		-
Loan Given				
Poushali Sales Private Limited		42.00		40.00
Refund of Loan Given				
Aashray Enterprises Private Ltd.		25.00		-
Poushali Sales Private Limited		7.00		-
Guarantees Obtained				
Sudeep Chitlangia		-		-
Outstanding against Guarantees Obtained				
Sudeep Chitlangia		6,167.79		5,472.82


Notes to Accounts (Contd.)

	Year Ended 31 st March, 2019		Year Ended 31 st March, 2018	
Net Balance Receivable/(Payable)				
J S M & Company		0.12		-
Madhya Bharat Papers Ltd.		290.14		10.46
Aashray Enterprises Private Ltd.		73.00		98.94
Aishani Infotech Private Ltd.		(1.35)		-
Chitperi Farm Private Ltd.		(58.90)		-
Poushali Sales Private Limited		226.97		180.14
Shri Sudeep Chitlangia		(3.13)		(2.46)
Shri Sohan Lal Yadav (Director with effect from 01.04.2018)		-		(1.42)
Shri Ravi Kumar Murarka		(2.00)		(1.21)

14. Disclosure under Schedule V to the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 :
There are no transactions (except related party transactions) which are required to be disclosed under Schedule V to the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.
15. The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

As per our report of even date attached.

For **S.K. Agrawal and Co**
Chartered Accountants
(F.R. NO. 306033E)

CA VIVEK AGARWAL
(Membership No. 301571)
Partner
Place: Kolkata
Date : 30th May, 2019

RAVI KUMAR MURARKA
Chief Financial Officer &
Company Secretary

On behalf of the Board
SUJIT CHAKRAVORTI
Director
DIN. 00066344

SUDEEP CHITLANGIA
Managing Director
DIN. 00093908

DUROPLY INDUSTRIES LIMITED

(Formerly Sarda Plywood Industries Limited)

Regd. Office : 9, Parsee Church Street, Kolkata - 700 001, West Bengal

Corp. office: 113 Park Street, North Block, 4th Floor, Kolkata – 700 016, West Bengal

Phone: (033) 2265 2274, ● CIN: L20211WB1957PLC023493

Email: corp@duroply.com ● Website: www.duroply.com

62nd ANNUAL GENERAL MEETING

MGT-11

Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the companies (Management and Administration) Rules, 2014]

Name of the Member(s) : Email id :
including joint holders, if any

Registered address of the sole/ : DP ID No. & Client Id :
first named Member No./Registered Folio No.

I/We, being the member(s) of Duroply Industries Limited, holding shares of the Company, hereby appoint:

- 1) Name Address
.....
Email Id Signature..... or failing him/her;
- 2) Name Address
.....
Email Id Signature..... or failing him/her;
- 3) Name Address
.....
Email Id Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf, if not already voted by me/ us through remote e-voting, at the **62nd Annual General Meeting (AGM)** of the Company to be held on Wednesday, 25th September, 2019 at 11:00 a.m. at Bharatiya Bhasha Parishad, 36A Shakespeare Sarani, Kolkata – 700 017 and at any adjournment thereof in respect of the resolutions as are indicated below:

Sl. No.	Resolution	Optional (✓)	
		For	Against
Ordinary Business			
1	Adoption of the Financial Statements of the Company for the financial year ended 31 st March, 2019 and the Reports of the Board of Directors and the Auditors thereon		
2	To re-appoint Smt. Sheela Chitlangia (DIN: 00174354), who retires by rotation and being eligible, offers herself for re-appointment		
Special Business			
3	To re-appoint Mr. Ratan Lal Gaggar (DIN: 00066068) as an Independent Non-Executive Director		
4	To re-appoint Mr. Probir Roy (DIN: 00033045) as an Independent Non-Executive Director		
5	To re-appoint Mr. Sujit Chakravorti (DIN: 00066344) as an Independent Non-Executive Director		
6	To re-appoint Mr. Kali Kumar Chaudhuri (DIN: 00206157) as an Independent Non-Executive Director		

Signed day of 2019 Signature of the Member :

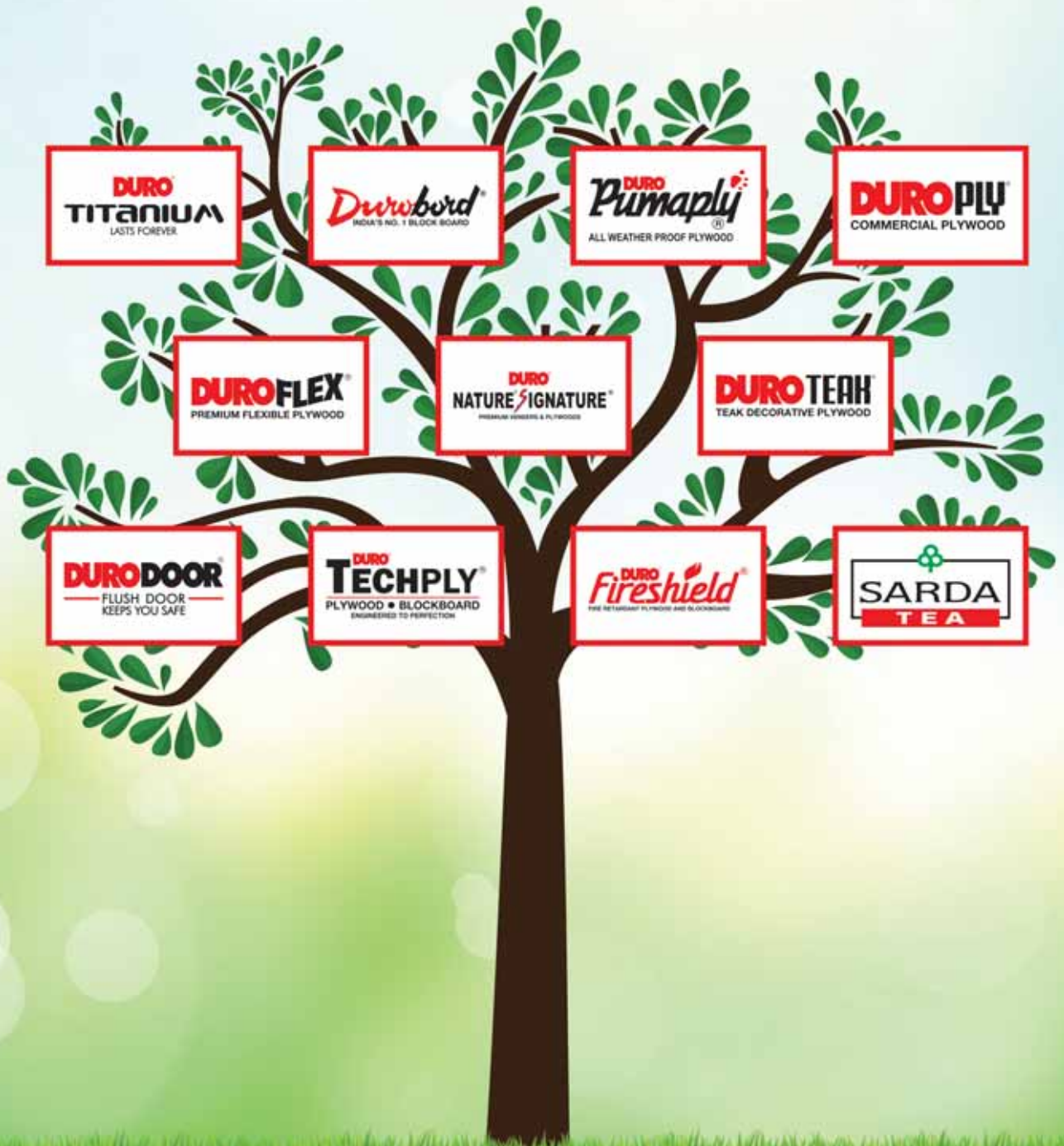
Affix
Revenue
Stamp
Rs.1/-

Notes:

- (1) This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

DUROTM

OUR OTHER BRANDS





Duroply Industries Limited

(Formerly: Sarda Plywood Industries Ltd.)

Corporate Office: 113 Park Street, North Block 4th Floor, Kolkata-700016

Phone: (033) 22652274 | **Toll Free:** 1800-345-3876 | **10:00am-6:00pm Monday-Friday**

E-Mail: corp@duroply.com | **Website:** www.duroply.in

Find us on:    [duroplyindia](https://www.duroplyindia.com)





DUROPLY INDUSTRIES LIMITED

(Formerly Sarda Plywood Industries Limited)

Regd. Office: 9, Parsee Church Street, Kolkata – 700 001, West Bengal
Corp. office: 113 Park Street, North Block, 4th Floor, Kolkata – 700 016, West Bengal
Phone: (033) 2265 2274; CIN: L20211WB1957PLC023493
E-mail: corp@duroply.com; Website: www.duroply.in

62ND ANNUAL GENERAL MEETING

ATTENDANCE SLIP

DATE & TIME

WEDNESDAY, 25TH SEPTEMBER, 2019
11.00 A.M.

VENUE

BHARATIYA BHASHA PARISHAD
36A, SHAKESPEARE SARANI
KOLKATA – 700 017

Registered Folio No./ DP ID No. / Client ID No:	
Name and address of the Member(s): Joint Holder 1: Joint Holder 2:	
Number of Shares held:	

I certify that I am a Member / Proxy for the member of the Company.

Name of the Member/Proxy in BLOCK Letters

Signature of Member/ Proxy

NOTES: i) Member / Proxy attending the Annual General Meeting (AGM) must bring his/ her Attendance Slip which should be signed and deposited before entry to the meeting hall.
ii) Duplicate Attendance Slip will not be issued at the venue.



VOTING BY ELECTRONIC MEANS

In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Resolutions proposed at the 62nd Annual General Meeting (AGM) will be transacted through remote e-voting (facility to cast vote from a place other than the venue of the AGM).

Your remote e-voting user ID and password are provided below:

Electronic Voting Sequence Number (EVSN)	User Id	Password
190718008		

*Only Member who have not updated their PAN with Company / Depository Participant(s) shall use default PAN in the Pan field.

Note :

1. Please read the Instructions for e-voting printed in the Notice of 62nd Annual General Meeting dated 30th May, 2019.