ANNUAL REPORT 2012/13

GREENPLY INDUSTRIES LIMITED

courage!

Forward looking statement

In this annual report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. Wherever possible, we have tried to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subjects to risks, uncertainties and even inaccurate assumptions.

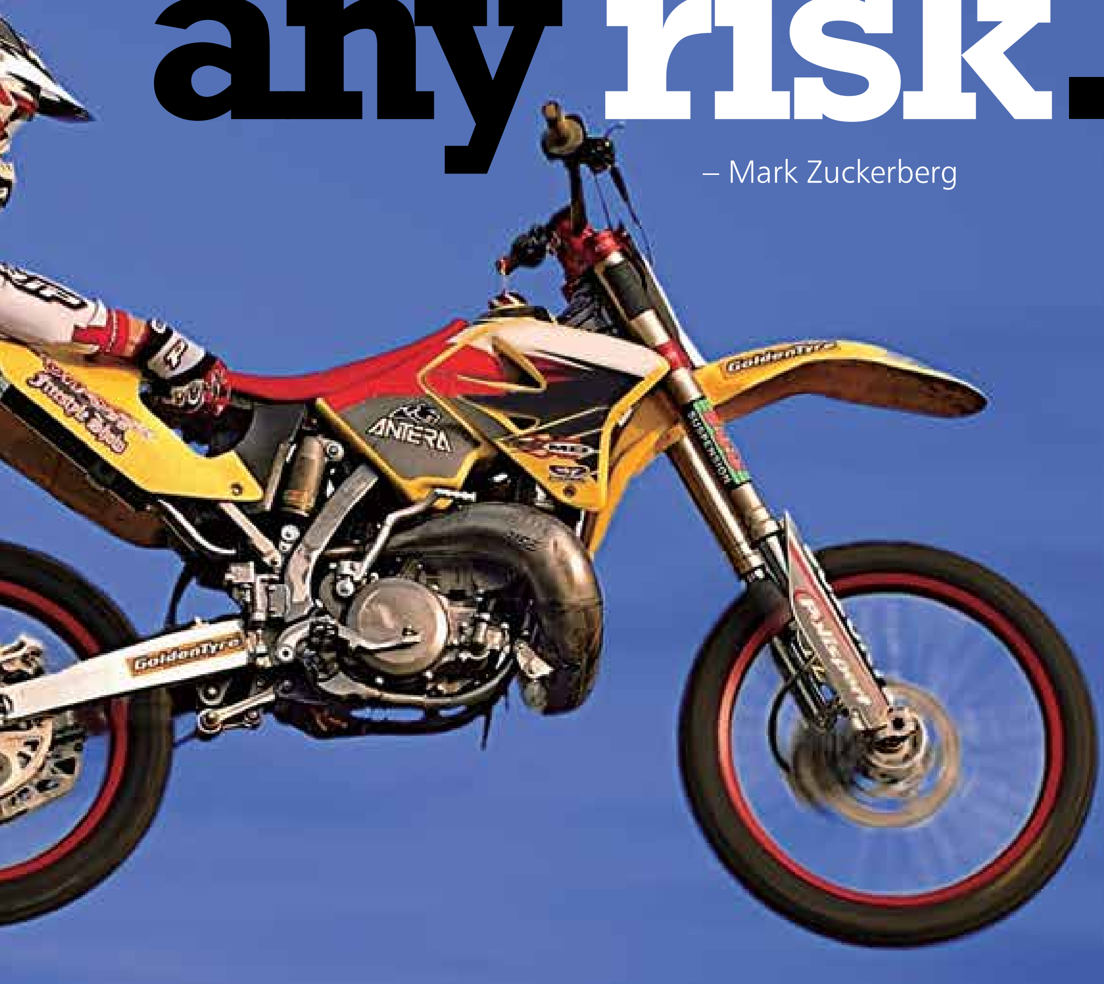
Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Contents

“The biggest risk is not taking any risk.”

– Mark Zuckerberg



Greenply.

India's number one plywood, decorative veneer and MDF brand. The largest laminate company in Asia and the third largest in the world (by production volumes).

Pioneering product launches. Delivering products to where customers want them. Investing in cutting-edge technology. Focusing on market creation. Investing proactively in capacity.

The company's business model essentially comes down to one word.

courage!

Vision

Make every house full of colours and life

- Help India gain a significant position globally
- Transform every house into a home

Mission

- Ensure on-time delivery of high quality products
- Create a cordial atmosphere within the organisation
- Implement environmentally and socially considerate decisions for our Company and community

Our manufacturing units

- **Tizit, Nagaland** – Plywood unit
- **Kriparampur, West Bengal** – Plywood unit
- **Pantnagar, Uttarakhand** – Plywood and Reconstructed Veneers unit
- **Bamanbore, Gujarat** – Plywood unit
- **Pantnagar, Uttarakhand** – MDF unit
- **Nalagarh, Himachal Pradesh** – Laminate unit
- **Behror, Rajasthan** – Laminate and Decorative Veneers unit

Legacy

Greenply is India's largest interior infrastructure company. Incorporated by Mr. Shiv Prakash Mittal and Mr.Rajesh Mittal, Greenply is the largest laminate company in Asia and the third largest in the world (by production volumes).

Listing

The promoter holds 55% of the equity; the company enjoys a market capitalisation of ₹860.58 crores as on 31st March 2013; the Company's stocks are actively traded on the National Stock Exchange and the Bombay Stock Exchange.

Products

Primarily engaged in three business segments, Greenply offers a wide range of options in each of its segments.

- Plywood and allied products
- Laminates and allied products
- Medium density fibreboard (MDF)

Presence

A corporate office in Kolkata (West Bengal) coordinates the efforts of seven state-of-the-art manufacturing units. The Company's products are marketed in India (more than 480 cities) and more than 70 countries directly and through subsidiaries in the US, the UK and Singapore.

Reach

Greenply provides quality products to customers through 46 offices across 21 states, through more than 14,000 distributors, dealers, sub-dealers and retailers.

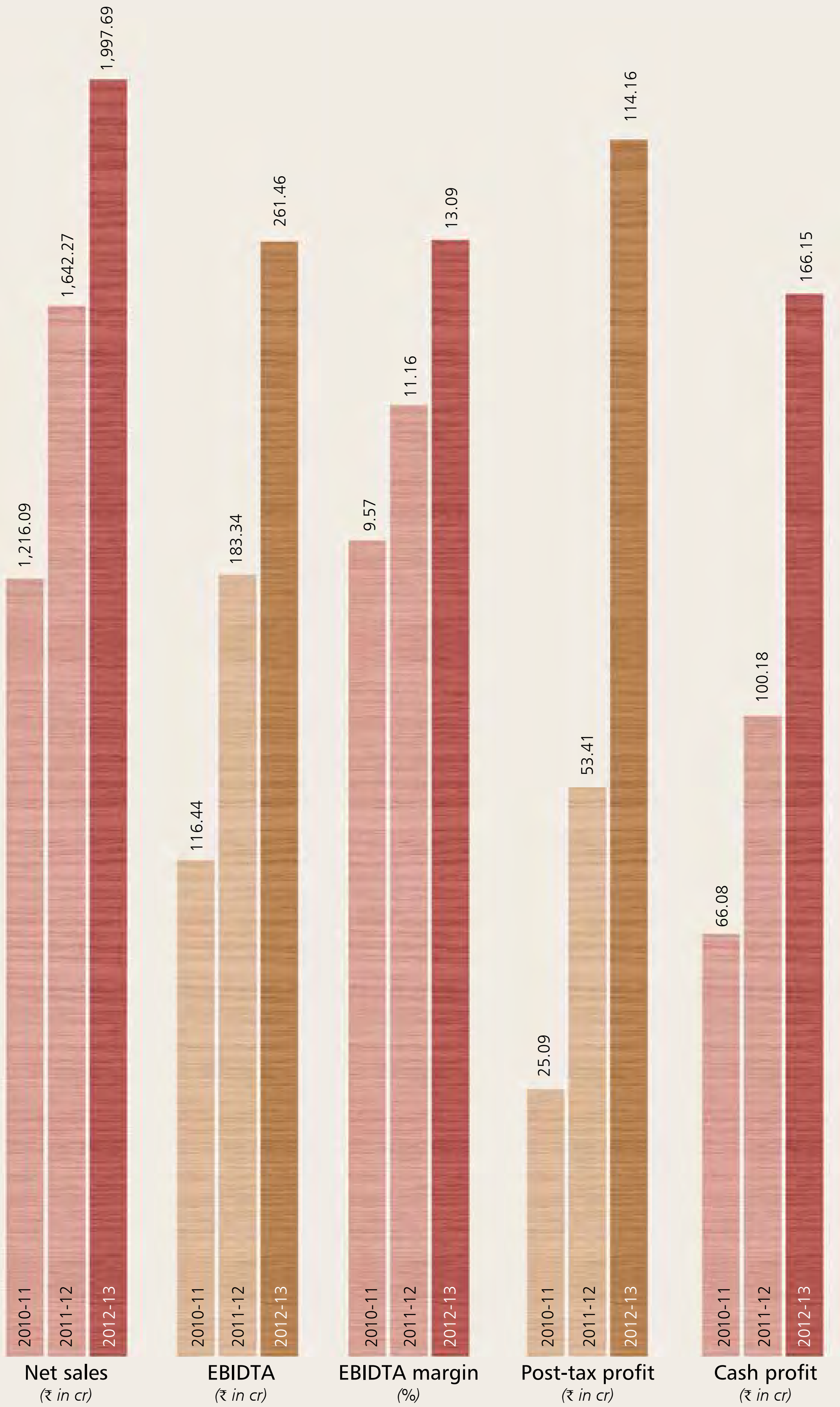
Accreditations

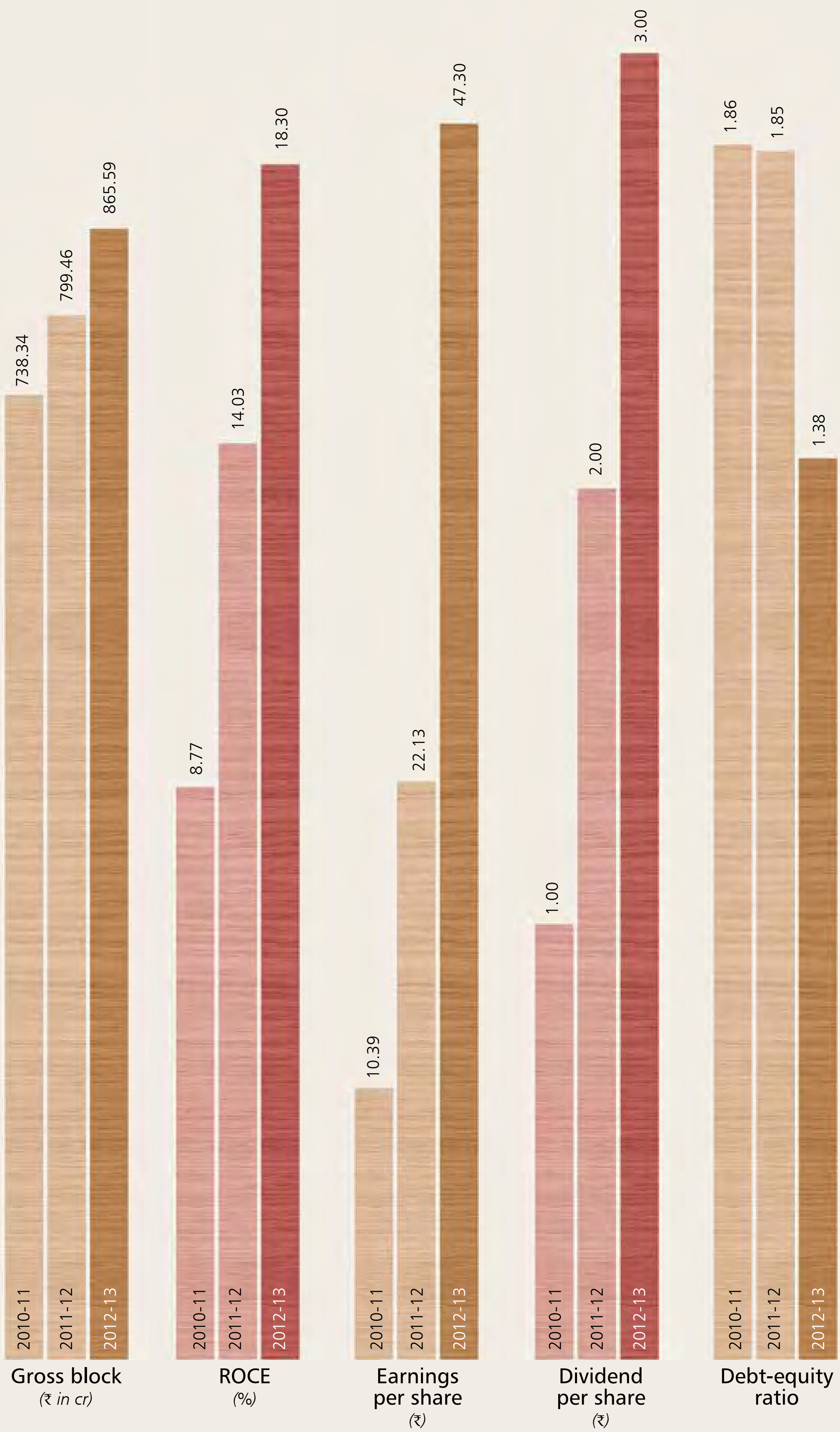
- The Company has received ISO 9001, ISO 14001 and OHSAS 18001-certification for its Behror, Nalagarh, Tizit, Pantnagar and Kriparampur units and the Bamanbore unit is ISO 9001-certified.
- Awarded Greenguard certification for Greenlam laminates.
- Kriparampur unit awarded with social accountability certificate SA 8000.
- Kriparampur, Bamanbore and Pantnagar units accredited with FSC with a 'chain of custody' certification.
- Green Fire Retardant Plywood certified by the Central Building Research Institute (CBRI).
- Star Export House status.
- Recognised as the leading Indian company in the Plywood sector at the Dun & Bradstreet Corporate Awards 2012

A Snap shot

Plant	Product	Strategic location
Tizit, Nagaland	Plywood	The proximate timber belts of Nagaland help us get an abundant supply of raw material.
Kriparampur, West Bengal	Plywood	Proximity to the Kolkata port enables smooth international access.
Behror, Rajasthan	Laminate	This facility is close to large markets in the Northern and Western parts of India.
	Decorative veneers	
Pantnagar, Uttarakhand	Plywood and reconstructed veneers	With its proximity to the region's vast agro-forestry resources makes it possible to cater to a growing North Indian market.
	Medium density fibreboards	
Nalagarh, Himachal Pradesh	Laminate	Access to local raw materials and large markets of Northern and Western India.
Bamanbore, Gujarat	Plywood	This facility caters to markets in the Western India; proximity to the Kandla port enables an easy import of raw materials.

Challenging market. Courageous response.




738.34
799.46
865.59
2010-11
2011-12
2012-13
Gross block
(₹ in cr)
8.77
14.03
18.30
2010-11
2011-12
2012-13
ROCE
(%)
10.39
22.13
47.30
2010-11
2011-12
2012-13
Earnings per share
(₹)
1.00
2.00
3.00
2010-11
2011-12
2012-13
Dividend per share
(₹)
1.86
1.85
1.38
2010-11
2011-12
2012-13
Debt-equity ratio

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Recovering from our MDF setback to establish leadership

THERE COMES A MOMENT IN THE EXISTENCE OF ANY COMPANY WHEN IT MUST RESOLVE TO TAKE THE BIG LEAP.

Our moment came in 2010.

An increasingly house-proud and office-conscious India was building an appetite for superior laminates and MDF but supply was either inadequate or simply non-existent.

Consider some other realities: MDF offered a superior price-value proportion over low-priced plywood on account of product consistency and density; MDF imports were irregular and covering only a limited product range even as consumer needs were widening.

Greenply recognised that merely dipping one's toe into the water would not work; the new products would need substantial scale from the word go – addressing customer needs adequately on the one hand and shutting prospective entrants out on the other.

Correspondingly, Greenply made the biggest investment of its existence – ₹254.03 cr, accounting for 40% of its consolidated gross block. A large part of this investment (nearly 70%) was mobilised through debt with the objective of periodic repayment that would progressively enhance shareholder value.

Challenge

Then something unexpected transpired.

The MDF plant, commissioned in March 2010, developed a serious technical snag resulting in the loss of eight months in time and ₹50 cr in revenue. The result: Greenply bottomline for the year 2010-11 – the year when big things were expected – turned out 49.38% lower than the previous year.

Response

Greenply faced two alternatives as a response to this crisis. One, twiddle thumbs, blame destiny and wait for plant resumption. Two, explore and create a market in anticipation of an imminent resumption.

In usual circumstances, a manufacturing-focused company would have responded by instinct to where MDF could be sold. In the absence of any product for immediate sale, the Company began to create a scientific basis for product offtake (across range, sizes, density and thickness). Greenply strengthened its marketing team, created a data base on consumption trends and mapped out potential markets.

When MDF production resumed in October 2010, Greenply was ready. The Company's output addressed existing consumption, seeded new demand and cannibalised imports. Revenues jumped: from ₹46.11 cr in 2010-11 to ₹243.72 cr in 2011-12 to ₹374.18 cr in 2012-13; operating margins jumped more than 700 bps in 2012-13; MDF revenues increased from 3.45% of Greenply revenues in 2010-11 to 19.13% in 2012-13; Greenply emerged as the number one MDF brand in India; the Company intends to commission a second MDF plant in Andhra Pradesh in the foreseeable future.

At the end of the day, courage makes all the difference.

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Coming from anonymity to establish an international brand.

THERE COMES A PHASE IN A SHIP'S EXISTENCE WHEN IT MUST CHOOSE TO LEAVE THE SAFETY OF THE SHORE AND VENTURE STERN FIRST INTO CHOPPY WATERS.

Our call came in 2006, when after nearly a decade of exporting laminates; unbranded and at around production costs, we choose to make the big leap by exporting them branded.

Challenge

The transition from commodity exports represented a minefield. Competition abounded. Large investments were warranted. Market knowledge was low. A brand was needed. Global executives were necessary. An international mindset was required.

Response

Greenply addressed the challenges head-on. Established a Singapore subsidiary in 2006-07. Invested in creating a global Greenlam brand. Appointed ASEAN / Middle East distributors and dealers. Appointed marketing executives. Increased promotional offers.

Result: Branded laminate exports climbed from nil in 2006-07 to ₹255.62 cr in 2012-13. The proportion of branded laminates in exports increased from nil to 100% across the period. Realisations strengthened. Laminate margins added 63 basis points in a challenging 2012-13.

So much for all those who claimed that the safest option was to become a volume-based anonymous laminate exporter.

At the end of the day, courage made the difference.

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Growing plywood volumes on the one hand and value on the other

THERE COMES A MOMENT WHEN THERE IS AN EXCITEMENT TO BREAK FORTH AND DO SOMETHING NEW.

The Company's plywood business had been growing steadily, brands were established and the trade channels were receptive. And yet…

Challenge

Greenply recognised that this idyll would not last. Competition would grow. Plywood margins would decline. Consumers would demand improvements. Brand wars would intensify.

Response

Greenply could have said wait, let circumstances emerge and then we will make our move. Instead, the Company selected to pre-empt the industry curve. Delivered a better quality. Communicated product durability. Focused on value-addition. Introduced brands. Widened dealer penetration.

This is the result: in a segment given up as commodity by most analysts, the Company increased value-added products as a proportion of revenues from 35% to 55%.

Greenply could have diffidently said 'I agree' when naysayers dismissed the idea that the market for superior plywood was at hand.

But at the end of the day, courage made the difference.

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Moving towards stability in a volatile world

Over the last few years, a number of companies have realised the pitfalls of such an assumption. A number of businesses that were fundamentally profitable lost more money in derivative transactions; a number of companies continued to evoke strong customer response but lost a major part of their earnings in abrupt currency movements.

ONE WAY OF DOING BUSINESS IS TO FOCUS COMPLETELY ON ONE'S COMPETENCE THE EXPECTATION THAT THIS EXPERTISE WILL TAKE CARE OF EVERYTHING ELSE.

Challenge

Greenply recognised that while one face of its coin represented a global presence with earnings in international currencies, the other face represented a potential downside on account of unforeseen currency volatility.

For some years, the Company worked with open currency exposures on the assumption that the power of a growing India would reflect in the appreciation of its currency.

Then something unexpected happened. Greenply lost ₹10 per share on account of a currency loss of ₹16 cr in 2008-09. The rupee lost ground.

Response

The Company's de-risking team set to work: it began to close all international contracts, willing to pay the incremental cost of currency cover against the assurance of protected export earnings.

Result: Greenply relatively insulated itself against currency fluctuations leading to a corporate performance that truly reflects its competitive position and indicative predictability quarter-on-quarter.

Greenply could well have excused itself from this mayhem with the words 'beyond our control'.

But at the end of the day, courage made the difference.

"We plan to increase our market share across all categories through continuous innovation, broadening our product range, presence across different price points and superior customer service."

The Executive Chairman reviews the Company's 2012-13 performance

THE WORST OF TIMES OFTEN BRING THE BEST OUT OF WINNERS.

In 2012-13, even as the interior infrastructure industry grew around four percent due to demand slowdown, volatile currency movement and interest rate pressures, Greenply's topline grew 22% to ₹1,998 cr, bottomline increased impressively by 114% to ₹114 cr and EBIDTA margin improved 193 bps to 13.09%.

Even as the economy struggled to grow in single-digits, Greenply strengthened margins across all three verticals, stabilised its MDF and laminate plants and reduced debt, the expansions notwithstanding and implemented a forex management policy to protect shareholder value.

So even as the external environment remained challenging, Greenply widened its sectoral leadership and emerged stronger.

Strengthened the brand

At the start of the financial year under review, the principal

challenge was to protect margins. As the year panned out, Greenply strengthened its margins through a combination of various initiatives:

- Widened its reach to new markets (within India and abroad) especially in smaller cities and towns
- Increased the proportion of value-added products
- Strengthened outsourcing for its Ecotec plywood brand
- Launched the Ecolite series to counter unorganised manufacturers
- Strengthened product quality and customer service

Going ahead, these initiatives will help us achieve our targeted topline, margins, cash flow and debt repayment.

Road ahead

At Greenply, we see better times ahead due to enhanced asset utilisation, an enriched product mix and an effective branding that will inspire a more comprehensive shift from unorganised to organised product consumption.

Greenply expects to increase its market share across all categories through continuous innovation, widening its product-cum-design range, growing its presence across different price points and translating into projected revenues of ₹2,350 cr in 2013-14.

To sustain growth, the Company intends to increase the proportion of valued-added MDF, expand its plywood capacity through accruals, strengthen its capacity utilisation of MDF and laminate assets.

Besides, the Company intends to commission a MDF plant in Andhra Pradesh and a veneer-cum-plywood plant in Myanmar. The Company also intends to expand its laminate unit in Rajasthan with the introduction of value-added products.

I must assure shareholders that Greenly intends to moderate the size of its Balance Sheet even as it is growing its scale. The Company rationalised its gearing from 1.85 as on 31st March 2012 to 1.38 as on 31st March 2013 with the objective to reduce this to 1.10 by 2013-14.

I am optimistic that these initiatives will translate into an enhanced value for all our stakeholders.

Sincerely,
S.P. Mittal
Executive Chairman

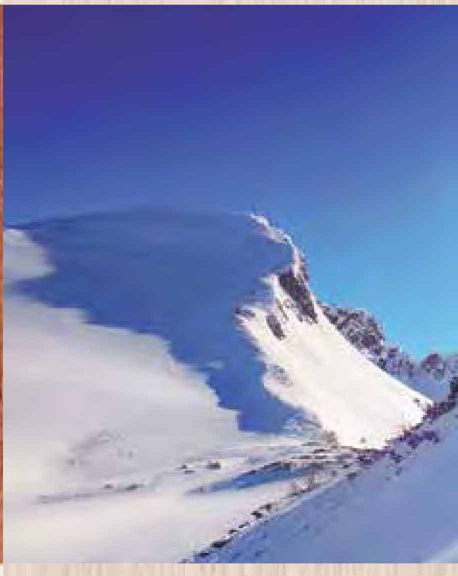
Enduring strengths

Scale

Greenply is India's largest integrated manufacturer of plywood, laminates, veneer and MDF. The Company is also the largest laminate company in Asia and the third largest in the world (by production volumes).

Brand

The Greenply brand generates an immediate unaided recall for product longevity.



Competitive advantage

Greenply holds production licenses in the ply and board segment where industry entry is regulated by the government.

Market share

Greenply accounts for 23% of India's organised plywood market, 28% of its organised laminates market and 20% of its MDF market.

Extensive experience

Greenply promoters possess nearly three decades of experience across India's interior infrastructural space, translating into a knowledge of different terrains, business practices, customer preferences industry challenges and strategic proactiveness.

Distribution

Greenply's 480-city presence supported by 46 branches and 21 states enables it to distribute products to more than 14,000 distributors, dealers, sub-dealers and retailers.

Global footprint

Greenlam, the Company's flagship decorative laminate brand, is exported to more than 70 countries (Thailand, Indonesia, Taiwan, Canada, Bahrain, Hong Kong, Malaysia, Singapore, Kenya, the UAE, Russia, the USA, Australia, Mexico, Saudi Arabia, China and a number of European nations).

Intellectual capital

Greenply employs a team of over 4,800 employees and workers across its seven manufacturing units and more than 46 offices. Around 32% of the workforce has been with the organisation for more than five years.

Strategic location

Greenply's facilities are proximate to raw materials or markets. Its Nagaland and Uttarakhand units are located near abundant timber sources; the West Bengal and Gujarat units are located proximate to ports leading to low transportation costs; its Tizit, Pantnagar and Nalagarh plants are located in tax-efficient states.

Interior infrastructure focus

Greenply is more than a plywood company. Its interior infrastructure focus translated into a linear product extension: from plywood to laminates to MDF. Result: is that plywood now accounts for only 47% of the Company's revenues.

Relationships

Greenply enjoys enduring relationships with interior designers, architects, contractors, carpenters and retailers, making it possible to understand their preferences and challenges, leading to product customisation.

Business segment overview 1

Plywood and allied products

Revenue (₹ cr)	Contribution to the total revenue
940.17	47%

EBIDTA (₹ cr)	Profit before tax (₹ cr)
99.26	70.02

Overview

With four operational plants, the plywood division possesses an annual cumulative capacity of 32.40 mn sq. mtrs. In 2012-13, the Company operated at 106% utilisation. Greenply's product mix comprises the premium segment and mid-segment products manufactured at its plants with some mid-segment products outsourced. The Company's plywood is made from the finest A+ grade timber and undergoes a stringent five-step process, making it termite and borer-resistant. Greenply was the first Indian company to introduce a lifetime

The plywood division grew revenues by 15.28% from ₹815.58 cr to ₹940.17 cr

Our production capacities

Manufacturing unit	Product	Installed capacity	Capacity utilisation
Tizit, Nagaland	Plywood	4.50 million sq. mtrs	104%
Kriparampur, West Bengal	Plywood	6.00 million sq. mtrs	128%
Bamanbore, Gujarat	Plywood	11.40 million sq. mtrs	75% *
Pantnagar, Uttarakhand	Plywood and Reconstructed Veneers	10.50 million sq. mtrs	127%

*On expanded capacity; not annualised

guarantee for its high-end products (Green Club and Club Plus premium plywood).

A diversified product mix places Greenply in an advantageous position. The Company introduced Compreg plywood, a premium product attracting an increasing number of users. The Company focused on secondary sales generation through institutional businesses. Greenply improved its market share in the organised plywood industry from around 20% in 2006-07 to 23% in 2012-13.

The government has restricted the issue of new licenses in this segment owing to environmental concerns, benefiting existing players. Greenply enjoys CE marking, which testifies that the product complies with quality and processes, without product adaptation or re-checking.

Highlights, 2012-13

- The plywood division grew revenues by 15.28% from ₹815.58 cr to ₹940.17 cr
- Strengthened volumes from 32.14 mn sq. mtrs in 2011-12 to 34.28 mn sq. mtrs (capacity utilisation 106%)
- Enhanced sales from 38.02 mn sq. mtrs in 2011-12 to 41.54 mn sq. mtrs
- Increased rural revenues from ₹78 cr in 2011-12 to ₹114 cr
- Grew the business around 15% in value terms (average market growth of 4%).

Marketing and sales

In the plywood business, superior marketing helps the product move faster. The year 2012-13 was a watershed: demand declined and prices crashed, currency volatility dented profitability and project slippages transpired. During the year under review, the Company undertook counter-initiatives:

- Streamlined commercial policies (discounts and credits).
- Acquired new customers.
- Widened direct trade reach (individual retail outlets).
- Engaged in several promotions at BTL level; a successful TV campaign positioned the brand at a different level.
- Forayed into the distribution and wholesaling of plywood and allied products (an industry first). The Company targeted the top-25 Indian cities and achieved creditable results.
- Conducted local and pan-India promotions, trade-specific,

The magician and his box together communicate the core promise of timelessness of the Greenply Brand- **Forever New.**

influencer-specific and product-specific as per the needs.

- Conducted dealer relationship and dealer engagement programmes locally and nationally, making it possible to retain customers.
- The Company made inroads into quality FFS plywood (5% of the topline) and address the challenge of spurious products through Domino printing on its entire plywood range.

Going ahead, the Company plans a major foray into the manufacture of doors, network expansion, project engagements and strong Optima brand network leading to an ambitious revenue growth of around 20% in 2013-14.

Branding

The objective of the Company is to make Greenply plywood a generic brand through enhanced recall and visibility. Greenply plywood has emphasised durability through different communication templates translating into the following:

- Product relevance (product variants and applications)
- Product consistency (overall quality)
- Product positioning (durability in terms of longevity)
- Credibility (quality certifications and overall goodwill enjoyed)
- Brand appeal (communication strategy has been devised to make it contemporary, both in terms of message dressing and media mix)

During 2012-13, the Company conducted several brand-building exercises through a judicious mix of above-the-line and below-the-line initiatives. Greenply pioneered the 360-degree brand promotion model for the plywood division through an ATL-BTL mix and packaging initiatives. The Company's television commercials were well-received by critics and consumers; the Company was the first plywood brand to feature celebrities in its commercials starting with the 'Forever New' commercial. During 2012-13, the Company invested ₹26 cr (about 2.75% of the net sales of the ply and board divisions) in marketing and branding. Going ahead, the Company expects to upscale category involvement among end consumers and enhance decision-making in the purchase process, evolve relationships with primary customers (trade channels and influencers) and keep the product portfolio relevant to market segments through ongoing innovation.

Quality

At Greenply, quality control is about maintaining product consistency at an optimum standard. This approach is ring-fenced by a quality discipline followed by all employees and periodically reviewed. The consistency-testifying certifications accorded to the Company comprise ISO 9001 (quality management), ISO 14001 (environment system), ISO 18001 (health and safety) and SA 8000 (socially accountable practices). The CE marking testifies commitment to quality and processes, without needing to undertake product adaptation or re-checking. The eco-mark from BIS authorities enhanced consumer awareness in identifying environment-friendly products. The FSC certification showcased the highest social and environmental standards.

Business segment overview 2

Laminates and allied products

Greenply increased its market share from 15% in 2006-07 to 28% in 2012-13.

Revenue (₹ cr) **683.34**	Contribution to the total revenue **34%**
EBIDTA (₹ cr) **81.35**	Profit before tax (₹ cr) **41.46**

Overview

Greenply is India's largest laminate player (installed capacity 10.02 mn sheets per annum). The Company operates a laminate and decorative veneer manufacturing unit in Rajasthan and also a laminate manufacturing unit in Himachal Pradesh. Greenply is probably the only Indian manufacturer to export laminates under its own brand. The Company's laminate brand - Greenlam is a market leader, offering innovative designs and textures. Greenply is the first in the Indian industry and the only non-US company to be accredited with the Greenguard certificate for its Greenlam laminates. Greenply increased its market share from 15% in 2006-07 to 28% in 2012-13 through continuous improvements in quality, reliability, distribution network, cost-effectiveness and brand strategy.

Greenply is the largest laminate company in Asia and the third largest in the world.

Our production capacities

Manufacturing unit	Product	Installed capacity	Capacity utilisation
Behror, Rajasthan	Laminate	5.34 mn sheets	110%
Nalagarh, Himachal Pradesh	Laminate	4.68 mn sheets	97%
Behror, Rajasthan	Decorative veneers	4.20 mn sq. mtrs	30%

Highlights, 2012-13

Laminates

- Increased production from 9.92 mn sheets in 2011-12 to 10.37 mn sheets
- Increased net realisations from ₹498 per sheet in 2011-12 to ₹566
- Increased capacity utilisation from 99% in 2011-12 to 104%
- Exports grew 40% from ₹182.58 cr in 2011-12 to ₹255.62 cr

Decorative veneers

- Increased net realisation from ₹674 per sq. mtr in 2011-12 to ₹708 per sq. mtr

Marketing

Greenply enhanced its organised market share from 26% in 2011-12 to 28% in 2012-13. The Company has international presence in more than 70 countries. It introduced new designs, finishes and dimensions (laminate and decorative veneers).

Greenply had earlier introduced a range of products (longer and wider). This helped the Company enhance its international presence as a manufacturer of high-pressure laminates. The Nalagarh unit manufactures compact laminates increasingly used in restroom cubicles, self-supporting furniture, fixtures, partitions and modular work stations.

Greenply's wholly-owned subsidiary Greenlam Asia Pacific Pte. Ltd., Singapore, covers South East Asia while Greenlam America, Inc., USA, is engaged in marketing and distributing high-pressure laminates in North and South America. During the year, the Company set up a subsidiary in the UK for marketing its laminates in Europe.

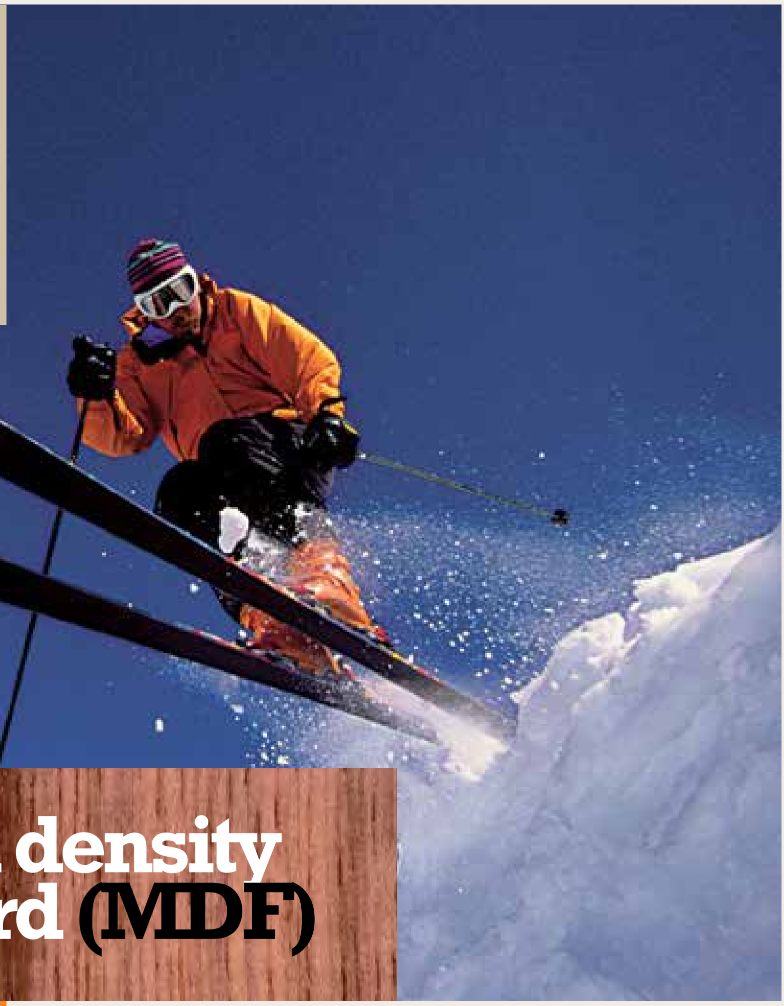
Quality

During the year under review, the Company initiated barcoding for its laminates, enhancing product tracking across the distribution lifecycle and acquiring related manufacturing details. This was a global initiative within the laminates industry. The SAP implementation of the quality module facilitated a multi-parameter analysis (statistical, customers, attributes). Complaint tracking was strengthened (daily departmental meetings in the factory by the departmental head with the supervisors and quarterly meetings to review complaints). As a result, quality complaints declined by more than 50%. Going ahead, the Company plans to integrate quality complaints into the SAP, strengthening root cause analysis.

Initiatives

- Developed new resins to save costs and stabilise products.
- Developed new products (exterior grade compact for exterior applications, chemical resistant compact, fire retardant products, unicore laminate, Mar / scuff resistant products, sandwich compact and electrostatic laminates).
- Adhered to EN438 standards.
- Ordered equipment from Germany, strengthening viability and product stability.

Business segment overview 3



Medium density fibreboard (MDF)

MDF is likely to emerge as a plywood substitute; an 8-10% demand shift from plywood to MDF is expected over the next four years

Revenue (₹ cr)	Contribution to the total revenue
374.18	19%
EBIDTA (₹ cr)	**Profit before tax (₹ cr)**
80.85	39.91

Overview

MDF (engineered wood) possesses durability, look, texture, richness and the feel of seasoned wood with properties to replace solid timber. MDF is used in a range of applications (paneling, furniture, windows and doors frames, handicraft, display or exhibition stands and signages, false ceilings, toys, carving and moulded panels, partitions, footwear industry and educational equipment).

Since the Indian government stopped issuing additional plywood manufacturing licenses, plywood is likely to get costlier. MDF is likely to emerge as a plywood substitute; an 8-10% demand shift from plywood to MDF is expected over the next four years in addition to being used in a number of other applications.

Greenply's MDF (Green Panelmax brand) is a radical product made with a unique fibre-interlocking technology leading to high bonding strength and

Greenply's 0.18 million-cubic metres per annum MDF automated manufacturing facility at Pantnagar (Uttarakhand), is the first-of-its-kind in India, incorporating the latest European technologies.

The facility is also the country's largest wood-based MDF plant and most rigidity, loaded with features best suited for constructing durable furniture and unique interiors. Manufactured from 100% renewable and sustainable wood, Greenply MDF is an eco-friendly product.

Greenply entered MDF manufacture in 2010 at Pantnagar, encouraged by product cost-effectiveness, import substitution and negligible competition. The Company's MDF facility is the country's largest and most technologically advanced in its category. With a capacity of 0.18 million cubic metres per annum, the MDF facility is a first-of-its kind in India incorporating the latest European technology.

Highlights, 2012-13

- The rated capacity for the plant for 24 hours is 600 cubic metres and for 12 hours is 300 cubic metres. The average capacity utilisation stood at 88% against 65% in the previous year
- Increased production from 19,508 CBM in 2011-12 to 25,472 CBM in 2012-13 in the short cycle segment, the prelamination area within the MDF unit
- Increased average realisations from ₹20,898 per CBM in 2011-12 to ₹24,386
- Introduced veneered MDF

Marketing and sales

The first half of the year was more stable as far as the demand and supply equation was concerned. However some of the key players were crippled due to tight financial positions and lost their foothold in the market. Though Greenply missed out on some key months like May and part of June because of technical issues at the plant but overall the plant was overbooked with orders for most part of the year.

The second half saw some ripples from imported MDF, to which Greenply undertook market segmentation and created new avenues for sales. This helped the Company in maintaining its market leadership.

Greenply possesses the widest network in the entire MDF industry. It has a robust system of stockists and direct dealers in every nook and corner of the country. The Company also has a dedicated team to foster direct and indirect demand generation. The direct focus is through a channel sales team supported (indirect) by a strong team of project (architects) members, carpenters and OEM. This has helped the Company create a solid loyal base of distributors and dealers.

During the year under review, the Company undertook the following initiatives:

- Deepened presence from select towns to deep interiors across a number of states.
- Enhanced its exposure in value-added products.
- Launched an economical series (Ecolite) to thwart the threat from unorganised segment.

Going ahead, the Company intends to undertake the following initiatives: aggressive penetration into the rural technologically advanced in its category, utilising a continuous press system for the first time.

The plant, supplied by the world leader Dieffenbacher (Germany), can produce MDF in thicknesses of 2.5-35 mm. Besides, the tax and excise benefits provide the Company with a competitive edge.

markets, create an exclusive network to market value-added products (UV-coated panels, veneered MDF, laminated and engineered wood flooring), increase pre-laminated board capacity; strengthened inventory management and strengthened B2B offtake.

Branding

Branding helps counter competition and enhance product visibility. Green Panelmax MDF was launched two years ago to eat into a market with an overwhelming bias for traditional wood-based panels (plywood and block boards). MDF was launched more than 20 years ago but had encountered an unfavourable consumer response due to low awareness among carpenters, who are the key influencers in material choice especially when the product required modern tools like drilling machines, screws and different joineries.

Engineered panel division (EPD) focused on product education, emphasising product economy, versatility and durability. The Company targeted key B2B influencer groups (carpenters, architects, interior designers, building and construction industry) through advertisements in trade journals and carpenter magazines as well as carpenter education programmes using educational films, points-of-purchase promotion, signage, rural branding and communication.

As a result, Greenply strengthened MDF acceptance as a viable, economical, easy to use, eco-friendly alternative to conventional wood-based panels. Going ahead, EPD plans to build on the brand Green Panelmax MDF, through advertising and launch of value-added products.

Quality

The MDF team is committed to comply with the regulatory and statutory requirements and provide complete customer satisfaction through quality products conforming to international standards with simultaneous improvement through the implementation of environment-friendly, green and innovative technologies. The Company undertook the following initiatives:

- Online quality control with no rework.
- SQC systems with built-in process control.
- Introduction of PLC-controlled system to handle finished goods and automatic truck loading.
- Regular training for employees around quality standards and online preventive measures.
- Introduction of products with low formaldehyde emissions.

Because of these initiatives, the Company achieved a rejection rate of less than two percent for three years in a row and plans to introduce value-added products (wooden flooring and high-gloss laminated panel products) to address varied customer requirements.

Finance review, 2012-13

Accounting policy

The Company prepared its accounts under the historical cost convention method with generally accepted accounting principles as prescribed by the Institute of Chartered Accountants of India and as per the relevant provisions of the Companies Act, 1956.

Performance

(₹ cr)

	2011-12	2012-13	Growth (%)
Net revenue	1,642.27	1,997.69	21.64
EBIDTA	183.34	261.46	42.61
PAT	53.41	114.16	113.75
Cash profit	100.18	166.15	65.85
EPS	22.13	47.30	113.74
EBIDTA margin (%)	11.16	13.09	17.29
PAT margin (%)	3.25	5.72	76.00
ROCE (%)	11.54	18.30	58.58
RONW (%)	14.41	23.94	66.13

The Company's EBIDTA margin increased 193 basis points to 13.09% on the back of improved product mix in laminates.

Margins

The Company's EBIDTA margin increased 193 basis points to 13.09% on the back of improved product mix in laminates and higher contribution from the MDF division. Net profit margin increased 247 basis points to 5.72% in 2012-13 from 3.25% in 2011-12.

Revenue analysis

The Company's revenues increased 21.64% from ₹1,642.27 cr in 2011-12 to ₹1,997.69 cr in 2012-13 driven by a higher capacity utilisation of the MDF plant, superior product mix and shift of demand from the unorganised to organised sector (plywood and laminates).

Income by segment

In 2012-13, the Company derived revenues from various segments of plywood and allied products, laminates, decorative veneers and MDF.

Plywood division: Net revenue from the segment increased 15.28% from ₹815.58 cr in 2011-12 to ₹940.17 cr in 2012-13 because of the growth in production by 6.66% to 34.28 mn sqm; average capacity utilisation was 106% and volumes increased at the Pantnagar and Bamanbore units as well as trading revenues increased by 9.13%, 25.18% and 11.04% respectively. The division accounted for 47.06% of net revenues in 2012-13 as against 49.66% in 2011-12.

Laminates division: Revenues from the segment grew 17.21% from ₹582.98 cr in 2011-12 to ₹683.34 cr in 2012-13, driven by a growth in net realisations (from ₹498 in 2011-12 to ₹566 in 2012-13), increase in sales volume and increase in average capacity utilisation from 99% in 2011-12 to 104% in 2012-13. The laminates division accounted for 34% of the net revenue in 2012-13. Exports from this division grew 40% from ₹182.58 cr in 2011-12 to ₹255.62 cr in 2012-13.

Medium density fibreboard division: MDF segment grew by 53.53%, driven by a mix of strong volume growth and price increases. In the segment, net realisations of MDF increased by 16.69% to ₹24,386 per cu

Business divisions	2012-13		2011-12		Growth over the previous year (%)
	Amount (₹ cr)	Proportion of net sales (%)	Amount (₹ cr)	Proportion of net sales (%)	
Plywood and allied products	940.17	47.06	815.58	49.66	15.28
Laminates and allied products	683.34	34.21	582.98	35.50	17.21
Medium density fibreboard	374.18	18.73	243.72	14.84	53.53
Total	1,997.69	100.00	1,642.28	100.00	21.64

metre (₹20,898 per cu metre in 2011-12) and average capacity utilization increased from 65% in 2011-12 to 88% in 2012-13. The division accounted for 18.73% of the net revenue in 2012-13 against 14.84% in 2011-12.

Income by geography

Domestic revenues: Income from domestic markets increased 19.44% from ₹1,458.55 cr in 2011-12 to ₹1,742.07 cr in 2012-13, largely due to stronger market penetration and enhanced sales from laminates and value-added products.

Export revenue: Export income comprised 12.80% of the revenue (11.19% in the previous year). Exports increased 39.08% from Ra. 183.79 cr in 2011-12 to ₹255.62 cr in 2012-13.

Revenue by sources

Other income increased from ₹5.90 cr in 2011-12 to ₹6.50 cr in 2012-13, owing to higher interest income received. Other income, as a proportion of total income was 0.33%, reflecting the Company's focus on its core business.

Cost analysis

The Company's operating cost increased by 18.80% from ₹1,503.87 cr in 2011-12 to ₹1,786.56 cr in 2012-13 owing to an increase in scale of operation and 40% increase in branding expenses. Operating cost, as a proportion of income, was 89.43% in 2012-13 compared with 91.57% in 2011-12.

Manufacturing expenses: Manufacturing cost decreased by 5.07% from ₹134.57 cr in 2011-12 to ₹131.48 cr in 2012-13. Manufacturing cost, as a proportion of total income, was 6.58% in 2012-13 against 8.19% in 2011-12. The company's power and fuel cost decreased by 5.07% from ₹105.51 cr in 2011-12 to ₹100.16 cr in 2012-13.

Raw material: Raw materials consumed increased by 20.70% from ₹923.66 cr in 2011-12 to ₹1114.82 cr in 2012-13, owing to increased scale. The major raw materials consumed comprised timber and chemicals. Of the raw materials, 41.51% were imported.

Personnel expenses: Personnel expenses increased from ₹130.01 cr in 2011-12 to ₹161.68 cr in 2012-13, owing to increased salaries and wages. Revenue and EBIDTA per employee increased 20.59% and 25% respectively.

Other expenses: Other expenses increased by 15.43% from ₹335.37 cr in 2011-12 to ₹387.12 cr in 2012-13.

Capital employed

Capital employed increased owing to an increase in reserves and surpluses. Capital employed increased by 6.44% from ₹1,088.92 cr as on 31st March 2012 to ₹1,159.00 cr as on 31st March 2013. Return on capital employed – a tool to measure the return for every rupee invested – increased 676 basis points from 11.54% in 2011-12 to 18.30% in 2012-13 owing to better capacity utilisation and an improved product mix..

Net worth

Net worth, comprising equity share capital and reserves, increased by 28.55% from ₹370.95 cr as on 31st March 2012 to ₹476.87 cr as on 31st March 2013 owing to an increase in reserves and surplus. Return on net worth increased 954 basis points from 14.40% in 2011-12 to 23.94% in 2012-13 following a sharp increase in PAT.

Equity: Equity capital comprised 2,41,36,374 fully-paid equity shares with a face value of ₹5 each. The promoter group held 55% in the Company as on 31st March 2013.

Reserves and surplus: Free reserves and surplus increased by 29.51% from ₹358.88 cr as on 31st March 2012 to ₹464.80 cr as on 31st March 2013 owing to an increased plough back.

Loan funds

Loan funds comprised secured and unsecured loans. Total debts declined by 6.23% from ₹684.41 cr as on 31st March 2012 to ₹641.79 cr as on 31st March 2013. During 2012-13, the Company repaid ₹81.10 cr of debt and the Company intends to repay ₹104 cr in 2013-14. The debt-equity ratio was 1.38 in 2012-13 against 1.85 in 2011-12.The debt cost for the Company stood at 10.40% compared to 11% in 2011-12.

Secured loans: This comprised

72.20% of all debt and grew 7.98% from ₹429.10 cr as on 31st March 2012 to ₹463.35 cr as on 31st March 2013. Of the total, 43.49% comprised loans for working capital. An increased reliance on secured loans is expected to reduce interest cost when compared with the use of unsecured loans.

Unsecured loans: Unsecured loans decreased from ₹255.31 cr as on 31st March 2012 to ₹178.44 cr as on 31st March 2013 comprising 27.80% of the total loan portfolio.

Interest: Interest decreased marginally by 0.10% from ₹60.78 cr in 2011-12 to ₹60.72 cr in 2012-13 on account of the decreased debt portfolio. The interest cover stood at 4.35, reflecting the Company's ability to service debt.

Fixed assets

The tangible net block increased 4.52% from ₹615.64 cr as on 31st March 2012 to ₹643.46 cr as on 31st March 2013 due to gross block additions. The intangible net block increased 128.03% from ₹3.65 cr in 2011-12 to ₹8.33 cr in 2012-13 due to addition in computer software and technical knowhow. Depreciation increased 11.14% from ₹46.77 cr in 2011-12 to ₹51.99 cr in 2012-13.

Working capital

Total working capital increased 15.97% from ₹36.06 cr as on 31st March 2012 to ₹41.82 cr as on 31stMarch 2013 owing to increased scale of operations. Working capital as a proportion of capital employed increased from 3.31% in 2011-12 to 3.61% in 2012-13.

Inventories: Inventory (41.52% of the total current assets as on 31st March 2013) increased 18.26% from ₹277.29 cr as on 31st March 2012 to ₹327.91cr as on 31st March 2013. Inventory-turnover cycle stood at 60 days of net turnover equivalent as on 31st March 2013 compared with 62 days as on 31st March 2012.

Trade receivables: Sundry debtors increased 18% from ₹290.87 cr as on 31st March 2012 to ₹343.20cr as on 31st March 2013. The Company's receivables cycle decreased from 65 days as on 31st March 2012 to 63 days as on 31st March 2013. Around 2.02% of the debtors comprised debtors more than six months old.

Cash and bank balance: Cash and bank balances increased 33.84% from ₹12.16 cr in 2011-12 to ₹16.27cr in 2012-13.

Loans and advances: Loans and advances increased 31.84% from ₹77.46 cr as on 31st March 2012 to ₹102.12 cr as on 31st March 2013.

Trade payables: Sundry creditors increased 77.40% from ₹165.34 cr as on 31st March 2012 to ₹293.32 cr as on 31st March 2013.

Taxation: Total tax burden of the Company includes current tax and deferred tax. Total tax liability of the Company increased 223.37% from ₹11.51 cr in 2011-12 to ₹37.22 cr in 2012-13. The average tax rate for the Company stood at 24.59%.

Tax benefits: Greenply enjoys tax benefits at its manufacturing units in Nagaland, Uttarakhand (plywood and MDF units) and Nalagarh. The plywood facility in Nagaland enjoys 100% corporate tax and excise exemption for 10 years, since 2005-06 onwards. The other units enjoy excise exemption for 10 years and corporate tax benefits at 100% for the first five years and 30% for the next five years.

Foreign exchange management

The Company engaged in ₹653.91 cr of foreign exchange transactions (imports of ₹429.50 cr and ₹224.41 cr of exports). During the year under review, the Company incurred a forex loss of ₹6.98 cr against a loss of ₹18.15 cr in the previous year.

Liquidity indicators

	2010-11	2011-12	2012-13
Current ratio	1.01	1.06	1.06
Quick ratio	0.56	0.61	0.62

Human resource

We believe in offering the ideal platform for growth to our employees, readying them to take up any challenge that comes their way. In line with this tenet, we enable our employees to grow in a learning environment so as to make the most out of the time spent on each assignment. The experience gathered gets buoyed by a powerful work-life-balance policy, making the overall journey both meaningful as well as pleasurable.

In the year under consideration, our Company has focused in improving employee productivity and collaboration, their learning and development and employee engagement.

Our manpower development

We strive towards creating an organisation known for its leadership skills in the industry by not only acquiring the right talent but by nurturing them too. Hence, we welcome our new

In the year under consideration, our Company has focused in improving employee productivity and collaboration.

members to the organisation with a commitment to enhance their learning by acquiring knowledge, sharpening skills, concepts and rules and furthering their attitude and behaviour. This year we have conducted training programmes designed and customised especially for the employees mediated towards improving their selling skills, personal development and grooming.

HR initiatives

During the year, the HR initiatives were focused on enhancing productivity and efficiency. In order to make the organisation robust, progressive and dynamic; our Company focuses on organisational development, employee engagement and talent management through the following interventions:

- EDGE (Enabling Development and Growth through Excellence): an online PMS system to ensure that the organisation and all its sub-systems (processes, departments, teams, employees among others) are working together in an efficient way to achieve the desired results.
- Leave Management System: a one-stop online window to look into all leave applications and leave statuses.
- Attendance system for branches: an online portal for branches to send their daily attendance.
- FORCE (Facilitating Organisational Capability Enhancement): a development centre conducted in partnership with Thomas International for employees who have been rated as 'Out Performers' and 'Excellent Performers' in the last appraisal.
- Sales training: for different levels of the employees, designed and customised for the organisation by Hero Mindmine.
- Various employee connect activities were conducted throughout the year.

Our employees are our key assets and we continuously invest in them to retain our competitive edge. Hence, we were able to foster a healthy and productive environment, ensuring that a strong performance management system was created to encourage excellence.

Information technology

Information is power, and your Company believes in harnessing this power. Over the years, it has been seen that if IT initiatives are undertaken effectively, it helps a lot to enable business operations, whether it is the supply chain of the Company, critical operations, collaboration between employees, or the implementation of policies and procedures. Keeping abreast of the latest technologies gives an organisation an edge over its competitors, enhances productivity, helps expand its business operations portfolio and bring new customers on board.

Your Company has implemented IT measures very aggressively and continues to leverage its power to the fullest. During the year under review, your Company effectively used IT measures to leverage two core fundamentals of its business primarily. One is under the supply chain side and second is on the customer side. On the supply chain side, your Company implemented a barcode technology in the way the manufacturing happens in its laminate plants. Post this technology intervention, today each sheet of Laminate comes with a barcode label on it. With this, the sheets can be tracked; enhancing manufacturing excellence with increased operational effectiveness at the plant levels, and it also improves the brand visibility and customer's confidence in your Company.

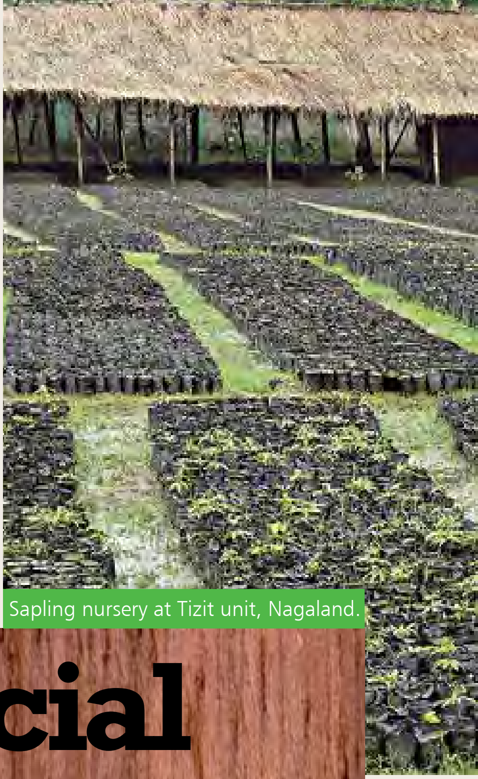
The second key project driven in the technology side is mediated towards harnessing the wide horizon of our customer base. In the year under consideration, your Company started working on Customer Relationship Management initiatives.

These CRM initiatives will not only enhance the customer relationship but also maximise the effectiveness of your Company's sales force. After its launch it will become one of the most critical components for your Company as it will directly link its customers with its mainstream.

Apart from these two critical technology interventions, your Company also implemented lots of other IT-based solutions like quality module, collaboration, web applications and also upgraded the security infrastructure among other things.

Overall, IT measures have been and will continue to be a strategic business lever enhancing and enabling key processes across the entire value chain your Company operates in.

Plantation initiatives at Tizit, Nagaland.



Sapling nursery at Tizit unit, Nagaland.

Corporate social responsibility

Your Company has been consistently working towards giving back to the society and the environment, and this mindset forms the cornerstone of our value system. As a means to the aforementioned end, we have worked ably along the lines of being committed towards the society. This belief has enabled us to undertake various projects which are operational in different parts of the country today.

Whether these activities are mediated towards the rescue and rehabilitation of the girl child threatened by the scourge of female infanticide, or enhancing societal sustainability and livelihood generation, our Company has been literally changing lives, in and around these areas. With projects running in Rajasthan, Nagaland, Tamil Nadu, West Bengal, our Company attempts to grow beyond its areas of presence to enrich the lives of the people. Along with our ever-committed NGO partners, the Company Greenply has been able to provide neccessary amenities to the girl child, as well as helping prepare a natural green cover through afforestation activities in the rural coastal areas, transforming huge barren stretches of land into wide plantation of trees. It has also helped create awareness regarding child marriage, helping the rural populace become aware of their rights, taking the government schemes to the doors of the rural folk, and helped the adolescents by extending to them medical, health, education and livelihood-related benefits.

The focus of these projects have been children and adolescents. The goal behind educating them is to make them self-sustaining and responsible members of society and to inculcate human values, enabling them to make a positive difference towards the society.

The focus is also to create an enabling environment mediated towards the holistic development of an adolescent's reproductive and sexual health and rights. This development is mediated through integrated health and development initiatives with a special focus on prevention of early marriage and pregnancy. The projects aim to empower and educate adolescent boys and girls with life skills to enable them to take decisions related to their reproductive health. It is expected that this intervention would create an enabling environment at the community-level by addressing the problems head on and promote adolescent health and development.

These are few of the projects undertaken by Greenply, fully driven by its CSR philosophy to ensure well-being for everyone. We are sure that our attempts will create a synergy of ethics, a cohesive society and a sustainable economy where all communities are able to live in peace, harmony and in an atmosphere of socio-economic well-being.

Risk management

A good business is one which assesses risks prior to their occurrence, and takes steps towards their mitigation, maximising returns.

Industry risk

A downfall in the industry could affect the business growth.

Mitigation

- The real estate sector influences the demand for interior infrastructure products. Robustness of the country's real estate sector has translated into an increased demand from the residential and commercial segments. The real estate industry in India contributes about five percent to the country's GDP and, in the next few years, this contribution is expected to rise to 100 bps even as the sectoral coverage increases.
- The country's urban population is expected to cross 590 million by 2030, translating into an increase in the demand for interior infrastructure products.

Liquidity risk

Insufficient funds will impact the business and its growth.

Mitigation

- The Company's receivables cycle remained at a creditable 63 days of turnover equivalent (65 days in 2011-12), notwithstanding a 21.64% jump in turnover.
- The Company's current and quick ratio stood at 1.06 and 0.62 respectively
- The Company's working capital requirements were funded by a consortium of eight banks.

Brand risk

With competition rising, brand recall may suffer.

Mitigation

- During 2012-13, the Company invested ₹62.69 cr on branding initiatives.
- The Company commissioned Green Design Studio/Green Shoppes across the country, influencing consumer habits through in-house consultants and guidance.
- The Company updates interior designers and architects on new designs and finishes of laminates and decorative veneers through an architect-friendly website captioned 'The Architect Leadership Council'.
- The Company explored digital media to enhance customer connect.
- The Company's 'Greenply Esplanade' (Behror unit) showcases the versatility of laminates.
- The Company's 360-degree brand building exercise comprises successful brand promotions and engaging customers at multiple points resulting in an integrated communication approach.

Marketing risk

Inability to reach the customers may result in a fall in market share.

Mitigation

- Greenply offers the largest range of products through the widest sectoral network of 14,000-plus distributors, dealers, sub-dealers and retailers (21 states and 46 marketing offices).
- The Company strengthened below-the-line initiatives to reinforce its brand and visibility at the trade level and through various activities (sponsorships, exhibitions, carpenter meets, lucrative schemes and dealer meets).
- The Company has a presence in over 70 countries.

This strong marketing infrastructure has translated into a organised market-leading share of 23% in plywood, 28% in laminates and 20% in MDF.

Raw material and cost risk

An inability to control costs could affect business growth

Mitigation

- The Nagaland and Uttarakhand plants source wood/timber from local farmers.
- The West Bengal and Gujarat plants import wood from ASEAN and European countries leveraging the advantage of being located in port-based cities, which saves logistics costs and ensures timely material availability.
- The Tizit, Pantnagar and Nalagarh plants are located in tax-efficient states.

Quality risk

Quality mismatch could affect brand recall.

Mitigation

- All the Company's units are ISO 9001-certified.
- The Company was granted the ecomark license from BIS, which emphasises environment-friendliness.
- The Company has a strong seven-member quality team, ensuring stringent adherence to quality parameters.
- The Company invested in world-class technologies resulting in product consistency. The Company's Tizit (Nagaland) and Pantnagar (Uttarakhand) plywood units use Taiwan-made core composers, enhancing product quality; the MDF plant is equipped with state-of-the-art German technology; the SAP-base ERP has accelerated informed decision-making.

directors' report

Dear Shareholders,

Your Directors are pleased to present the 23rd Annual Report and audited accounts of the Company for the financial year ended March 31, 2013.

Financial highlights

The financial performance of the Company, for the year ended March 31, 2013 is summarised below:

(₹ in lacs)

Particulars	2012-13	2011-12
Profit before Finance Cost, Depreciation and Amortisation Expenses and Tax Expenses	26,409.49	17,247.28
Less: a) Finance Costs	6,072.18	6,078.21
b) Depreciation & Amortisation Expenses	5,198.74	4,677.13
Profit before Tax	15,138.57	6,491.94
Provision for taxation	3,722.41	1,150.97
Profit for the year	11,416.16	5,340.97
Add: Balance brought forward from previous years	18,552.72	14,472.79
Amount available for appropriation	29,968.88	19,813.76
Appropriations:		
Proposed dividend on Equity Shares	724.09	482.73
Tax on distribution of dividends	123.06	78.31
Transferred to General Reserve	1,400.00	700.00
Balance carried to Balance Sheet	27,721.73	18,552.72

Review of operations

During the year 2012-13, your Company posted a stellar performance with an impressive revenue growth of 21.73% to ₹2,00,081.45 lacs from ₹1,64,365.82 lacs for the year 2011-12. Profit for the year 2012-13 increased by a whopping 113.75% to ₹11,416.16 lacs from ₹5,340.97 lacs for the corresponding preceding year. The growth in the topline as well in the bottomline reflects the robustness of your Company's business and corporate strategy of enhancing value for its stakeholders. This performance is particularly noteworthy when viewed against the backdrop of the challenging business context in which this was achieved, namely, the steep increase in cost of various raw materials and increased competition from the unorganised players.

Exports recorded a phenomenal growth of 39.96% from ₹18,378.90 lacs in the previous year to ₹25,722.56 lacs in the current year.

As per the consolidated financial statements, the revenue from operation and profit for the year 2012-13 were ₹2,04,790.85 lacs and ₹11,966.17 lacs respectively.

During the year under review, the Company's revenue growth of 21.73% outperformed the industry growth and the same could be achieved by streamlining the operations at the MDF unit at Pantnagar and the laminate unit at Nalagarh, higher capacity utilisation at other manufacturing units, improvement in product-mix, prudent assets utilisation synergised via clearly recognised sales and enhanced branding capabilities. The overall performance of the Company during 2012-13, amid an adverse economic scenario, vindicates the effectiveness of the abilities and prudency of the initiatives undertaken by Greenply's management so as to better exploit business opportunities.

During 2012-13, your Company continued its efforts in the area of product integration and deeper market penetration. Your Company continued to expand its export markets for laminates during 2012-13. Over the years, your Company has steadily grown as an interior infrastructure solutions provider, offering the gamut of products to satisfy customers' diverse requirement viz. plywood, laminates, decorative veneers and medium density fibreboard (MDF). Your Company is present across different price points to cater to all customers across the high-end, mid-market and value-for-money segments.

Dividend

Your Directors recommend a final dividend of 60% i.e. ₹3.00 per share (previous year ₹2.00 per share) on the Company's 2,41,36,374 Equity Shares of ₹5.00 each for 2012-13. The final dividend on the Equity Shares, if declared as above, would involve an outflow of ₹724.09 lacs towards dividend and ₹123.06 lacs towards dividend tax, resulting in a total outflow of ₹847.15 lacs.

Outlook and expansion

The Company's outlook remains favourable on account of its product integration capabilities, growing brand popularity and the continuous support from its employees, shareholders, creditors, consumers, dealers and lenders. The Company's vision is to be a one-stop solution for all interior infrastructure products (in its field of operation) in the country. The Company's pan-India distribution network ensures easy availability of products in almost every part of India.

During the year under review, your Company has expanded the production capacity of its plywood unit at GIDC Estate, Bamanbore, Surendranagar, Gujarat and also started commercial production from the expanded capacity.

The Decorative Division of your Company is expected to launch a few new products in the coming years among which Chemical Resistant Compact Boards and Exterior Grade Compact Boards are notable. The division is also developing Halogen Free Fire Retardant HPL.

Further, to cater the growing demand of the Medium Density Fibreboard (MDF) products, your Company is setting up a new MDF Unit in Andhra Pradesh in respect of which your Company has completed the acquisition of a land parcel in Chittoor District, Andhra Pradesh. Necessary steps are being taken to obtain various statutory approvals/licenses to set up the unit. Additionally, your Company has decided to manufacture new value-added products from the Company's existing MDF Unit at Pantnagar, Uttarakhand, by way of expansion of its lamination capacity and introduction of laminated flooring and UV-coated panels in respect of which civil construction work has been completed, orders for all major machineries have been placed and machineries have started arriving at the site and erection is in progress.

Your Directors are confident of achieving significantly better results in the coming years.

Subsidiaries

During the year under review, your Company has incorporated one more wholly-owned subsidiary in UK viz. Greenlam Europe (UK) Limited and your Company's wholly-owned subsidiary Greenlam Asia Pacific Pte. Ltd. has incorporated another subsidiary in Indonesia viz. PT. Greenlam Asia Pacific. Accordingly, as on March 31, 2013 your Company has three overseas wholly-owned subsidiaries viz. Greenlam Asia Pacific Pte. Ltd., Greenlam America, Inc. and Greenlam Europe (UK) Limited and three step-down subsidiaries viz. Greenlam Asia Pacific (Thailand) Co., Ltd., Greenlam Holding Co., Ltd. and PT. Greenlam Asia Pacific.

Greenlam Asia Pacific Pte. Ltd. explores new markets for our laminates in South-east Asian countries. Greenlam America, Inc. is engaged in the marketing and distribution of our high-pressure laminates in North and South America. Greenlam Europe (UK) Limited will explore the market for the products of the Company in UK.

Further, two Thai step-down subsidiaries Greenlam Asia Pacific (Thailand) Co., Ltd. and Greenlam Holding Co., Ltd. are engaged in the business of marketing and distribution of high-pressure laminates in Thailand while the Indonesian step-down subsidiary PT. Greenlam Asia Pacific is engaged in the manufacture of promotional material i.e. catalogues, sample folders, chain sets, wall hooks and A4 size samples which used to be outsourced earlier.

The following may be read in conjunction with the consolidated financial statements enclosed with the accounts. Ministry of Corporate Affairs, Government of India, vide General Circular No: 2/2011 and 3/2011 dated 8th February, 2011 and 21st February, 2011 respectively, has granted general exemption by directing that the provisions of Section 212 of the Companies Act, 1956 shall not apply in relation to subsidiaries of those companies which fulfil certain conditions mentioned in the said Circular. Accordingly, by fulfilling the conditions mentioned in the said Circular, the Balance Sheet, Profit and Loss account and other documents of the subsidiaries are not attached with the Company's accounts. As required by the said circular, the financial information of the subsidiaries are being disclosed in the Annual report and the Company will make available the annual accounts of the subsidiaries and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiaries will also be kept open for inspection by any shareholders at the Company's registered office and that of the respective subsidiaries. The consolidated financial statements presented by the Company include financial results of the subsidiaries. A statement of holding Company's interest in subsidiaries is also furnished.

Consolidated financial statements

The consolidated financial statements comprising financial statements of the Company and its subsidiaries are also annexed.

Transfer to General Reserve

Your Directors propose to transfer ₹1,400 lacs to the General Reserve.

Directors

At the ensuing Annual General Meeting, Mr. Shobhan Mittal, Mr. Anupam Kumar Mukerji and Ms. Sonali Bhagwati Dalal shall retire by rotation and being eligible, offer themselves for reappointment.

Further, Mr. Upendra Nath Challu, who was appointed as an Additional Director by the Board of Directors on August 31, 2012, holds office only up to the date of this Annual General Meeting. The Company has received a notice in writing under Section 257 of the Companies Act, 1956 proposing the candidature of Mr. Upendra Nath Challu for the office of director of the Company liable to retire by rotation. Necessary resolution is being placed for approval of members in respect of the above appointment.

None of the directors of your Company is disqualified under the provisions of Section 274(1) (g) of the Companies Act, 1956.

Directors' responsibility statement

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' responsibility statement, it is hereby confirmed that:

1) In preparation of the annual accounts, applicable accounting standards were followed.

2) The Directors selected such accounting policies and applied them consistently and made reasonable and prudent judgments and estimates to provide a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the financial year.

3) The Directors took proper and sufficient care to maintain adequate accounting records in accordance with the provisions of the Companies Act, 1956, to safeguard the Company's assets and for preventing and detecting fraud and other irregularities.

4) The Directors prepared the annual accounts on a 'going concern' basis.

Insurance

Your Company's properties, including building, plant, machineries and stocks, among others, are adequately insured against risks.

Public deposits

During 2012-13, the Company did not invite or accept any deposits from the public under Section 58A of the Companies Act, 1956.

Auditors and their report

M/s. D. Dhandaria & Company, Chartered Accountants, statutory auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. The Company received a certificate from them to the effect that the reappointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such reappointment within the meaning of Section 226 of the said Act.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and, therefore, do not call for further clarification. Comments under Para 21 of the Annexure to the Auditors' Report are self-explanatory and, therefore, require no further comments from the Board of Directors.

Cost Auditors

Pursuant to the order no. F.No. 52/26/CAB-2010 dated June 30, 2011 issued by the Central Government in terms of the provisions of Section 233B of the Companies Act, 1956, audit of cost records in respect of the 'Decorative Laminates' (covered under chapter code 4823 90 19 of relevant chapter heading 48 of the Central Excise Tariff Act, 1985) manufactured in the Company's units situated at Behror (Rajasthan) and Nalagarh (Himachal Pradesh) be carried for the financial year 2012-13. The Central Government has approved the appointment of M/s. D. RADHAKRISHNAN AND CO., Cost Auditors, of 11A Dover Lane, Flat -B1/34, Kolkata-700 029 as cost auditors for conducting the cost audit for the financial year 2012-13.

Corporate Governance report

A detailed report on Corporate Governance pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, along with an Auditors' Certificate on compliance with the conditions of Corporate Governance, is annexed to this report.

Management discussion and analysis report

The Management discussion and analysis report for the year 2012-13, pursuant to Clause 49 of the Listing Agreement with Stock Exchanges is given as a separate statement in the annual report.

CEO and CFO certification

Pursuant to Clause 49 of the Listing Agreement, the CEO and CFO certification is attached with the annual report. The Joint Managing Director and CEO and the Chief Financial Officer also provide quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41 of the Listing Agreement.

Code of Conduct for Directors and senior management personnel

The Code of Conduct is posted on the Company's website. The Joint Managing Director & CEO of the Company has given a declaration that all Directors and senior management personnel concerned affirmed compliance with the code of conduct with reference to the year ended on March 31, 2013. Declaration is attached with the annual report.

Particulars of employees

Details of remuneration paid to employees pursuant to Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, as amended from time to time is annexed to this report.

Conservation of energy, technology absorption and foreign exchange earnings and outgo

The particulars regarding conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, are annexed with this report.

Acknowledgement

Your Directors place on record their sincere thanks and appreciation for the continuing support of financial institutions, consortium of banks, vendors, clients, investors, Central Government, State Governments and other regulatory authorities. Directors also place on record their heartfelt appreciation for employees of the Company for their dedication and contribution.

On behalf of the Board of Directors

Place: Kolkata
Date: May 29, 2013

S. P. Mittal
Executive Chairman

annexure to the directors' report

Disclosure of particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.:

A. Conservation of energy

(a) The Company adopted the following measures towards conservation of energy

- Periodically checked and supervised the electric distribution network and took corrective and proactive measures to optimise energy usage, ensuring an effective and efficient system of energy distribution.
- Installation of effluent recycling system for conservation of water.
- Utilising treated effluent for gardening for water conservation.
- Replacing conventional fluorescent light fittings with LED fittings.
- Conducting energy audit and implementation of the recommendations to replace underutilised motors with appropriate capacity / type motors.
- Installed on line electrical parameters (voltage, current, power) PLC based monitoring and recording for different sections for power control.
- Auto power factor control relay installed to control power factor depending on load
- Outside lighting control through PLC
- Wood chipping weight and power monitored on a daily basis.
- Energy plant main ID fan speed control in auto to control hot gas wastage from chimney
- Energy plant and RO plant start/stop modify to control water and power wastage
- Increase sanding productivity to reduce ideal running of machine.
- Modify energy plant fans control to avoid energy wastage.
- Energy plant moving floor optimized and keep one motor for emergency only.
- Modify press cycle to increase productivity and reduce steam and power wastage.
- Wax temperature control in auto and reduce ideal running of hot water circulation pump
- Hot water tank on line level monitored and controlled to reduce steam consumption.
- Auto demand controller has been fixed so that the maximum demand load is never exceeded
- Single phase preventers fixed to avoid damage to heavy duty motors
- Cooling tower fans are controlled automatically by a temperature controller and timer
- Variable frequency drives for all motors in all presses and impregnators for optimum consumption of energy
- Turbo ventilators in place in the impregnating section
- ETP plant running well – all water recycled in to the garden, cleaning purpose and civil works
- Resin formulations changed to avoid vacuum distillation – no water discharge
- Rainwater harvesting – all water collected and discharged underground

(b) Additional investments and proposals, if any

It is a continuous process to explore the avenues for energy conservation. The Company is considering additional investments and proposals for the same.

(c) Impact of measures taken

Energy conservation measures stated above have resulted in gradual savings and ease in operations.

(d) Total energy consumption and energy consumption per unit of production

Particulars relating to energy consumption and other details are not being provided because the Company is not on the list of industries specified for this purpose.

B. Technology absorption

a) Research and development (R&D)

1. Areas of R&D activities

- The Company is carrying out research to increase the mechanical properties of plywood at reasonable cost of production.
- The Company is focusing on R&D activities for developing new products, designs, processes and improvement of manufacturing systems in existing products/process.
- The Company is working on to control/reduce formaldehyde emission from plywood and MDF by improved glue formulation.

2. Benefits of the R&D exercises

- Improved product quality and increased timber recovery.
- Cost reduction, technology upgradation.
- Strengthened market leadership status.
- Reduced manufacturing and delivery time.
- Catering to changing/unique needs of customers.

3. Future strategy

- Emphasising on the R&D for making new products and creating better processes.
- Improve the quality of existing products.
- Improve interaction with research institutions.
- Improve properties of materials.

4. Expenditure on R&D

(₹ In lacs)

Capital	73.66
Revenue	1.21
Total	74.87
Total R&D expenditure as a percentage of net turnover (%)	0.04

b) Technology absorption, adoption and innovation

1. Steps adopted

- Setting up a quality assurance cell to ensure the dispatch of only goods produced under strict process control with specific standard notifications from the factory.
- Participating in national and international conferences, seminars and exhibitions.
- Analysing feedback from users to improve products and services.

2. Benefits of the steps adopted

- Improved product quality, leading to a rise in the Company's brand value.
- Expanded product range.
- Improved processes and product quality, performance and reliability to attain global standards and maintaining the leadership position.

3. Technology improvement

The Company did not have the need to import technology or foreign technical collaborations in the last five years but company had guidance from technical experts as well from the foreign machinery suppliers.

c) Foreign exchange earnings and outgo

1. **Efforts:** The Company regularly participates in international exhibitions and carries out market survey and direct mail campaigns. It is intensifying focus on selected countries and also exploring new markets. The Company is continuously exploring avenues to increase exports.

2. **Earnings and outgo:**

(₹ In lacs)

	2012-13	2011-12
Earnings on account of:		
a) FOB value of exports	22,440.83	16,950.31
Total	**22,440.83**	**16,950.31**
Outgo on account of:		
a) Raw materials	37,873.65	34,954.48
b) Capital goods	1,579.63	259.23
c) Traded goods	3,115.64	2,344.58
d) Stores and spare parts	380.84	285.67
Total	**42,949.76**	**37,843.96**

On behalf of the Board of Directors

Place: Kolkata
Date: May 29, 2013

S. P. Mittal
Executive Chairman

Particulars of employees as required under section 217(2A) of the Companies Act, 1956 and rules made there under forming part of Director's Report for the year ended March 31, 2013

Sl. No.	Name	Age (years)	Designation/ Nature of duties	Remuneration (₹)	Qualification	Experi-ence in years	Date of employment	Last employment
1.	Mr. Shiv Prakash Mittal	64	Executive Chairman	2,81,58,200.00	B. Sc.	40	February 01, 2007	Himalaya Granites Ltd.
2.	Mr. Rajesh Mittal	50	Managing Director	2,75,99,000.00	B.Com	29	January 01, 1991	Not Applicable
3.	Mr. Saurabh Mittal	37	Joint Managing Director & CEO	2,73,56,600.00	B. Com	15	April 01, 2002	Himalaya Granites Ltd.
4.	Mr. Shobhan Mittal	33	Executive Director	2,73,91,000.00	BBA	8	September 01, 2006	Worthy Plywoods Ltd.
5.	Mr. Rakesh Kumar Budhiraja	58	President-Finance (Decorative Division)	71,32,764.00	FCA, FCS, LLB & MBA	32	May 24, 2010	Dunlop India Ltd.
6.	Mr. Sudeep Jain	50	Business Head (EPD)	77,85,840.00	CA	25	May 26, 2009	Lion Forestry Ltd.
7.	Mr. Yogesh Arora	57	Country Head - Sales & Marketing (EPD)	63,80,016.00	B.Sc	38	April 04, 2009	Bajaj Eco-Tec Products Ltd.
8.	Mr. Subir Palit	52	Country & International Head-Sales & Marketing (Decorative Division)	60,00,000.00	MBA	27	November 15, 2007	Videocon Industries Limited
9.	Mr. Anuj Sangal	45	Country Head - Sales & Marketing (PBD)	60,00,000.00	MBA	20	May 01, 2006	Pidilite Industries Limited
10.	Mr. Deepak Kumar Khare	49	Vice President - Raw Materials	31,85,602.00	M.Sc. (ORGANIC CHEMISTRY), PGDFM	20	October 17, 2012	ITC Ltd.
11.	Mr. Sandeep Mathur	55	President - New Projects	2,97,043.00	PGDM	32	March 15, 2013	DCM Shriram Consolidated Ltd.

Notes:

1. Remuneration shown above includes salary, allowances, cost of accommodation, medical reimbursement, contribution to provident fund and other perquisites as per the terms of employment. However, the above remuneration does not include the variable performance pay of the employees.

2. All the employees have requisite experience to discharge the responsibility assigned to them.

3. Nature and terms of employment are as per resolution/appointment letter.

4. None of the employees own 2% or more of the equity shares of the Company as on March 31, 2013 within the meaning of sub-clause (iii) of clause (a) of sub-section (2A) of Section 217 of the Companies Act, 1956.

5. Within the meaning of Section 6 of the Companies Act, 1956 (a) Mr. Shiv Prakash Mittal and Mr. Rajesh Mittal (b) Mr. Shiv Prakash Mittal, Mr. Saurabh Mittal and Mr. Shobhan Mittal, are related to each other.

management discussion and analysis

Furniture industry overview

The entry of a number of international players and the rapid resurgence of established domestic brands and emergence of new ones is transforming most industries. As a result of which customers in India are getting spoilt for choices, the same holds true for the furniture industry. The industry players are wasting no time in offering the discerning Indian consumer a wide range of home and office furniture to choose from.

Furniture is one area where there has been a marked change over the last few years especially in context of the changing tastes of the Indian customers. The upper middle-class segment is growing at a breakneck pace and the trends are changing faster. An inclination for luxurious living room sets; lavish bedrooms and stylish kitchens have increased over the years.

There is a gamut of designer options for customers to choose from. The tastes of Indian customers have changed a lot in the last few years. These days, mostly everybody is fashionably conscious and their choices and expectations are scaling new echelons. They are demanding more than the run-of-the-mill interiors and there is a keen eye for detail. The typical Indian trait of getting furniture custom made by hiring a carpenter on contract too could take a heavy beating.

All these factors have come together to make India one of the largest markets globally for different types of furniture. It is estimated that the furniture market in India is likely to witness a CAGR of about 30 per cent over the next three years. In fact, an independent industry research institute and consulting firm, CSIL Milano has classified India as one of the 14 largest furniture markets in the world due to the rising purchasing power of the more than 400 million strong middle-class segment.

Furniture industry statistics

The furniture industry in India is valued at around ₹ 710 bn. The organised sector comprises just 15%, with unorganised players accounting for the rest. Backed by a substantial growth in the real estate, tourism and hospitality domains on the one hand and increasing lifestyle product consumption on the other (via rising urbanisation, increasing disposable incomes), the Indian furniture manufacturing industry is expected to grow by 13-15% over the next five years. An impetus is likely to be witnessed across the length and breadth of the real estate sector, especially in the value-added segment.

The furniture market in India is mainly concentrated in the Tier-I, II and III cities. It is estimated that the top 784 urban centres contribute 41% to the total consumer furniture market. With Tier-I and Tier-II cities, together accounting for 33% of the total market. The furniture sector makes a marginal contribution of 0.5%, to India's GDP. Worldwide, India is ranked 8th in terms of consumption, but is only the 33rd largest furniture importer in the world. Domestic demand is largely satisfied by local production, which only emphasises the low import penetration ratio.

The Indian construction industry, ranked twelfth in the world, is experiencing an upward surge and in turn, has created a huge demand for furniture and allied products. In India, the home furniture segment accounts for 65 per cent of the furniture market, the office segment about 20 per cent and garden furniture for the remaining. In general, upper class homes are furnished in accordance with international styles; the rich pay a lot of attention to design and quality and the price is rarely a factor in the consumption of top range furniture.

Office furniture segment

The Indian office furniture segment is estimated at around US$ 1.6 billion, with 40% of that is generated through the provision for desks. Other products which are mainly consumed are seating, executive furniture, cabinets and office storage, filing systems, wall-to-wall units, furniture for communication areas.

The modular furniture market in India, estimated to be about ₹ 800 crore, is dominated by bigger players. The market size of the international range of premium furniture is estimated to be worth about ₹ 100 crore, and is primarily catered to by foreign players. It is expected to grow at the rate of 10-15% over the next three or four years driven by demand from modern work spaces which includes the IT-ITeS, retail, healthcare and infrastructure segments.

Interior infrastructure

The Indian interior infrastructure sector is growing at a CAGR of 5-7%. The plywood and laminates is a highly fragmented industry. The share of the unorganised sector is about 78% in plywood and about 45% in laminates. The growth registered by organised sector is 15-20%, in comparison to overall industry growth of 5%, indicates a shift of customer preferences from unbranded to branded goods.

India's wood panel market grew at a CAGR of 6-8% over FY08-FY12 in volume terms. There has been clear shift of preference for branded products in the market that has led to a decline in market share for unorganised players. Organised players have grown at 15-20% in volume terms over FY08-FY12. The organised sector comprised 39% (MDF and particle board-100% organised; Plywood - 22% organised) with the unorganised accounting for the rest.

India's plywood industry comprised approximately 78% of total wood panel market and was valued at ₹ 125 bn in FY12. The industry is expected to grow at the rate of 6-8% with organised players continuing to grow at a double-digit rate.

As far as the Indian MDF industry is concerned, it accounts for the balance 22% of the total wood panel market and which is completely controlled by the organised players; a shift of 8-10% is expected from plywood to MDF over the next three or four years. The investment for setting up a MDF plant is significant, which is a major entry barrier for players from the unorganised sector. Currently,30-35% of the MDF demand is met through imports.

India's laminates market was valued at ₹ 40 bn in FY12. Organised players controlled around 55% of market with the rest controlled by unorganised players. It is expected to grow in line with growth of wood panel market. Organised players have increased their presence on account of rising aspirations and brand consciousness.

Outlook

India's rapidly expanding economy is seeing growing affluence, both in urban and rural areas. The tremendous penetration of the mass media has also resulted in millions of middle-class Indians aspiring for more lavish lifestyles. Furniture-makers are catering to the unmet urban middle-class need for stylish homes in compact apartments.

The non-organised sector, which accounts for nearly 85 per cent of the furniture made in India, mostly uses wood as a raw material for the home segment, while the organised sector produces wooden, metal and plastic furniture mainly for office use. Increasingly, moulded plastic, wrought iron, board and even bamboo furniture are gaining in popularity.

With the Indian economy and the real estate sector continuing to grow at a phenomenal pace, demand for office and home furniture is expected to expand even further. The entry of a number of international players and the rapid emergence of domestic brands is transforming the industry, offering the discerning Indian consumer a wide range of home and office furniture to choose from.

The furniture industry market size is expected to touch ₹ 1,12,000 crore by 2015. *[Source: Ernst & Young's report 'Overview of the Indian Furniture and Furnishing Sector']*

Michael Porter's five forces model for the Indian furniture industry

Threat of New Entrants
- Fragmented industry
- Growing domestic market
- Industry is not investment intensive

Competitive Rivalry
- Moderately competitive industry
- Transitioning from highly unorganised to organised sector

Customer Power
- Increasing demand from key user segments
- Demand for lifestyle products
- Majority of the market still price sensitive

Supplier Power
- Abundant supply of raw materials and labour
- Supplier base not organised
- Imports getting easier

Threat of Substitutes
- No significant threat

Source: KPMG Analysis

High Medium Low

Growth drivers

Rising proportion of working age population: The total population of India is projected to rise to 1.3 bn in 2020 from 1.2 bn in 2011, as per Census of India estimates. The crude natality rate is projected to decline to 18.0 during 2016-20, as against 21.3 in 2006-10, due to falling levels of overall fertility. On the other hand, the crude mortality rate is expected to decline marginally to 7.1 during 2016-20, compared with 7.3 during 2006-10, owing to increase in expectation of life at birth and increased access to medical care.

Further, with declining fertility, the proportion of population aged less than 15 years is projected to decline from 35.4% in 2001 to 25.1% in 2021. The proportion of the middle (15-59 years) and older age (60+) population, on the other hand, is expected to increase substantially by 2020. In fact, the proportion of population in the working age group (15-59 years) is expected to rise from 57.7% in 2001 to 64.2% in 2021.

Further, with rapid industrialisation and development of Tier-II and Tier-III cities, the urban population in the country, which was 28% in 2001, is expected to increase to 32.1% in 2020. This youth-heavy population will lead to higher disposable incomes in the hands of those with aspirations for a better lifestyle. Among the BRIC nations, India is expected to remain the youngest, with the working age population estimated to rise to 70% of total population by 2030- the largest such population component globally.

Increasing per capita income: India's per capita income, a gauge for measuring living standards, is estimated to have gone up by 11.7% to ₹5,729 per month in 2012-13 at current prices, compared with ₹5,130 in the previous fiscal. The per capita income in real terms (at 2004-05 constant prices) during 2012-13 is likely to attain a level of ₹39,143 as compared to ₹38,037 in 2011-12. [Source: Business Standard, February 7, 2013]

Rapid urbanisation: Cities are hubs of economic activity, employment generation and prosperity in any economy. With rising income levels, there is a greater demand for more goods and services, which becomes an important factor for a shift to urban centres.

As per the 1901 census, population residing in urban areas in India was little over 11%. The ratio was less than 28% in the year 2001 and in 2011 over 31% of its people resides in urban towns and cities. As per a report of the technical group on population projections constituted by the National Commission on Population (May 2006), the urbanisation in India would be around 38.8% by the year 2026. According to a survey by the UN State of the World Population report in 2007, by 2030, 40.76% of country's population is expected to reside in urban areas. India will lead the world's urban population surge by 2050 as per World Bank.

Rise of the consumer class: The Indian middle-class is growing at a frenetic pace and their consumption patterns are diversifying towards what can be described as 'discretionary expenditure'. Their brand consciousness and demand for luxury products is low but is likely to increase with rise in disposable incomes. In future, the growing middle-class will not only have higher standards of living but will also invest more on housing, healthcare, transportation and education, among others.

McKinsey & Company (2007) forecasted that by 2025, 583 million Indians will be in the middle-class, which is equivalent to the current population of countries like Australia. The share of the middle-class in the total population will increase from around 5 percent in 2005 to 41 percent in 2025. They will be a predominant force behind the increase in consumer spending and will account for 59 percent of the country's total consumption by 2025.

Nuclear families: The average increase in middle-class nuclear families is estimated to be over 300mn. The average household size has decreased from 4.6 to 4.1 in the past decade with an increase in average dwelling sizes from 41 sq. mtrs/unit to 48.The same momentum is expected to continue in the future as well (Source: ENAM).

Rising millionaire households: The number of millionaire households in India is expected to grow from 2.86 lakh to 6.94 lakh between 2011 and 2020, at a growth rate of 143 per cent. The growth in millionaire wealth in India is expected to vary across different wealth groups. The US$5-30 million group in India is likely to see the biggest growth rate at 161 per cent, followed by the US$1-5 million group at 142 per cent and the over US$30 million group at 115 per cent. The US$1-5 million segment is likely to be largest; with 73 per cent of the millionaire households' belonging to this group in 2020.India is likely to experience the largest growth in total millionaire wealth (405 per cent). Among other BRIC nations, China's wealth among millionaires will grow by 394 per cent, followed by Brazil at 257 per cent and Russia at 241 per cent. Among emerging markets, India is likely to have the highest per capita wealth among millionaires with US$4.25 million – placing it ahead of the US.

Rising demand: The demand for wood-based panels is rising. The organised market is expected to grow at 20% CAGR during 2010-14. Plywood and veneer sheets constitute 60% of the market currently.

Real estate growth drivers

The real estate sector in India has come a long way and has become one of the fastest growing markets in the world. It has not only successfully attracted domestic real estate developers, but foreign investors as well. The growth of the industry is attributed mainly to a large population base, rising income levels, and rapid urbanisation. The cities and towns in India are expanding and the space requirement for education, healthcare and tourism provides opportunities in the real estate sector. The industry in India contributes about five percent to the country's GDP and, in the next few years, this contribution is expected to rise to 6 per cent. The size of the Indian real estate market is expected to touch 180 billion USD by 2020.

Hospitality sector: With 740 million domestic travellers (in 2011) and over 6.3 million FTAs, India, after China, is considered one of the most lucrative hotel markets in the world and has the second largest construction pipeline in Asia. Growing affluence has played an increasingly important role in India and is likely to drive both leisure and business travel in the coming years. For most global hotel majors a significant part of their hotel pipeline is centred around the faster growing developing markets like India. India has an estimated 1, 70,000 hotel rooms of which around 60,000 are branded. Even with the expected addition of another 60,000 hotel rooms (across segments) over the next three to five years, the industry is expected to fall short of meeting the long-term demands of an economy growing. Tourist arrivals in India are expected to touch 11.1 mn by 2021, leading to an additional demand for 150,000 hotel rooms in the next five years *(Source: CARE)*

Healthcare: The Indian healthcare sector is estimated to reach US$ 100 billion by 2015, growing 20 per cent year-on-year (y-o-y), as per rating agency Fitch. The industry is expected to touch US$ 280 billion by 2020, on the back of increasing demand for specialised and quality healthcare facilities. India needs to add 1.8 mn beds and 700,000 doctors by 2025 to reach its targeted ratio of two beds per 1,000 people and one doctor per1,000 patients, with an investment outlay of USD86 bn(Source: IBEF).

Commercial office space: The demand for commercial office space in India is on a rebound after witnessing negative growth in the first two quarters of calendar year 2012. The seven major business hubs in the country - Mumbai, Delhi-NCR, Bengaluru, Chennai, Hyderabad, Pune and Kolkata - saw a combined Grade-A office space absorption of 7.6 million sq ft in the July-to-September quarter, compared to 5.9 million sq ft in the preceding April-to-June quarter.

Global real estate consultants, Cushman & Wakefield estimates commercial office space demand to be over 180 million square feet (msf) in the next five years (2012 – 16) in the top eight cities of the country. The highest demand will be recorded in Mumbai with an estimated 44 msf over the next few five years followed by Bengaluru (31 msf) and NCR (27.8 msf). The top three cities will constitute approximately 57 per cent of the total office space demand.

Retail space: India is the fifth largest retail destination with about 14 million retail outlets, out of which only about six per cent comes under the organised system of retailing. The Indian retail sector accounts for over 20% of the country's gross domestic product (GDP) and contributes 8% to total employment. The current estimated value of the Indian retail sector is about 500 billion USD and is pegged to reach 1.3 trillion USD by 2020. The penetration level of modern retail (currently 5%) will sextuple from the current 27 billion USD to 220 billion USD in 2020.

The organised players have strengthened their presence in and around malls; the modern shopping phenomenon is also catching the fancy of the Indian consumer. And the South Indian psyche is not any different. Making the most of this new shopping mindset of Indians, all leading developers have forayed into mall development in a big way.

Statistics point out that various locations in South

India will have more than 33 per cent of new mall space coming up in the next two to three years. A report by Beyond Squarefeet, a mall management company says that out of the total of 98.7 million sq ft of organised retail space coming up in the country during 2013-2014, about 35.4 million sq ft area would be in South India.

Real Estate Growth Drivers

Commercial

Office space supply in top seven Indian cities is expected to reach 243.5 million sq ft. in 2011-15.

Hospitality

Tourist arrivals in India is likely to increase to 11.1 mn in 2021 from 6.29 mn in 2011 leading to an additional demand for 150000 hotel rooms in 5 years

Healthcare

India will require 1.8 mn beds by 2025 to reach targeted ratio of 2 beds per 1000 people with an investment outlay of USD 86 bn *(IBEF - India Brand Equity Foundation)*

Segment-wise performance

Plywood and allied products

Highlights, 2012-13

- Grew 15.28% in value terms and 9.26% in volume terms
- Achieved overall capacity utilization of 106% on enhanced capacity of 32.40 million sq.mtr.
- Increased production from 32.14 million sq. mtr in 2011-12 to 34.28 million sq. mtr
- Enhanced sales from 38.02 million sq. mtr in 2011-12 to 41.54 million sq. mtr
- Increased rural revenues from ₹78 crore in 2011-12 to ₹ 114 crore
- Branding exercise with a new "Forever new-Greenply" advertisement on electronic media.

Medium density fibreboard (MDF)

Highlights, 2012-13

- Grew 31.56% in volume terms and 53.53% in value terms.
- The average capacity utilisation stood at 88% against 65% in the previous year
- Increased production to 25,472cubic metres in the short cycle segment, the pre-lamination area within the MDF unit
- Introduced low formal dehydrate emissions product which helped improve the market share.

Laminates and allied products

Highlights, 2012-13

Laminates

- Production increased from 9.92 million sheets in 2011-12 to 10.37million sheets
- Average realisation increased from ₹498 per sheet in 2011-12 to ₹566 per sheet
- Capacity utilisation stood at 104 % against 99% in the previous year.
- Exports grew 40% from ₹182.58 crore in 2011-12 to ₹255.62 crore
- Initiated a barcode system in the laminate factory
- Introduced new products like chemical-resistant laminate and anti-static laminate
- Developed new resins (Phenol Formaldehyde resin and Melamine Formaldehyde resin) which resulted in cost savings

Decorative veneers

- Increased average realisation from ₹674 per sq. mtr in 2011-12 to ₹708 per sq. mtr

Risks and concerns

At the core of the Company's risk-mitigating initiatives, there is a comprehensive and integrated risk management framework, which comprises stringent norms and regulations along with a prudent control mechanism. The risk management approach conforms to the Company's strategic direction, which is in line with the expected returns of the shareholders, the Company's credit ratings and its desired risk appetite.

Internal control systems and their adequacy

At Greenply, stringent internal control systems and procedures check the unauthorised use of products, ensuring optimal resource utilisation. The Company conducted regular and extensive checks at every stage of its production and dispatch cycle to ensure strict operational and quality compliance. An Audit Committee, headed by a Non-Executive Independent Director, periodically reviewed audit observations.

Financial and operational performance

Greenply's net turnover recorded a jump of 21.64% to ₹1997.69 crores. The Company's operating profit (after adjusting currency losses and other income) increased by 42.61 % to ₹261.46 crores from ₹183.34 crores in 2011-12. The Company's PAT increased 113.75 % to ₹114.16 crores from ₹53.41 crores in 2011-12.

Human resources

Greenply encourages a continuous learning environment, promoting meritocracy. The employees underwent both functional and behavioural training that would eventually result in improved productivity; other initiatives comprised a regularised recruitment process as well as a fair and unbiased performance appraisal system with an inbuilt feedback system.

On behalf of the Board of Directors

Place: Kolkata
Date: May 29, 2013

S. P. Mittal
Executive Chairman

corporate governance Report for the year 2012-13

(As required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

1. Company's philosophy on the code of Corporate Governance

The Company has complied with the principles and practices of sound Corporate Governance. The Company's philosophy is to attain transparency and accountability in its relationship with employees, shareholders, creditors, consumers, dealers and lenders, ensuring a high degree of regulatory compliance. Your Company firmly believes that a sound governance process represents the foundation of corporate excellence.

2. Board of Directors

Composition:

As at March 31, 2013, the Board comprises 10 directors headed by an Executive Chairman.

- Four Executive Promoter Directors.
- Six Non-executive Independent Directors.

The composition of the Board is in accordance with Clause 49 of Listing Agreement entered into with the Stock Exchanges.

Board meetings

During 2012-13, five board meetings were held on May 30, 2012, July 23, 2012, August 31, 2012, October 29, 2012 and January 23, 2013.

The composition of the Board of Directors and their attendance at the board meetings during 2012-13 and at the last Annual General Meeting and also the number of other Boards or Board Committees in which the directors are holding the position of member/chairperson as on March 31, 2013 are as follows:

Name of the Directors and Director Identification Number (DIN)	Category of directorship	No. of Board Meetings		Attendance at Last AGM	No. of outside directorship held*		No. of outside committees	
		Held	Attd.		Public	Private	Member	Chairman
Mr. Shiv Prakash Mittal (DIN 00237242)	Executive Chairman-Promoter Director	5	5	No	-	1	-	-
Mr. Rajesh Mittal (DIN 00240900)	Managing Director-Promoter Director	5	4	No	-	3	-	-
Mr. Saurabh Mittal (DIN 00273917)	Joint Managing Director & CEO-Promoter Director	5	3	No	2	6	-	-
Mr. Shobhan Mittal (DIN 00347517)	Executive Director-Promoter Director	5	4	No	1	5	-	-
Mr. Moina Yometh Konyak (DIN 00669351)	Non-Executive-Independent Director	5	-	No	-	-	-	-
Mr. Susil Kumar Pal (DIN 00268527)	Non-Executive-Independent Director	5	5	Yes	1	-	4	-
Mr. Vinod Kumar Kothari (DIN 00050850)	Non-Executive-Independent Director	5	3	No	4	7	5	1
Mr. Anupam Kumar Mukerji (DIN 00396878)	Non-Executive-Independent Director	5	5	No	-	-	-	-
Ms. Sonali Bhagwati Dalal (DIN 01105028)	Non-Executive-Independent Director	5	2	No	-	2	-	-
Mr. Upendra Nath Challu@ (DIN 05214065)	Non-Executive-Independent Director	3	3	N.A.	3	-	4	1
Mr. Gautam Dutta# (DIN 02335468)	Nominee of IDBI Bank Ltd.(lender)	1	1	N.A.	N.A.	N.A.	N.A.	N.A.

** including directorship in foreign companies.*
@ appointed as an Additional director w.e.f. August 31, 2012.
 # ceased to be a director w.e.f. June 04, 2012.

Information supplied to the Board of Directors:

During 2012-13, all necessary information, as required under the provisions of the Companies Act, 1956, Corporate Governance and other applicable laws and rules were placed and discussed at the board meetings.

Details of Directors seeking appointment/reappointment at the forthcoming Annual General Meeting:

Name of the Director	Mr. Shobhan Mittal	Mr. Anupam Kumar Mukerji	Ms. Sonali Bhagwati Dalal	Mr. Upendra Nath Challu
Father's Name	Mr. Shiv Prakash Mittal	Late Nirmal Chand Mukerji	Sri Justice P.N. Bhagwati	Mr. Mohan Krishna Challu
Date of Birth	August 19, 1980	August 27, 1936	October 15, 1961	October 20, 1950
Date of Appointment	August 08, 2006	August 08, 2006	January 22, 2007	August 31, 2012
Expertise in specific functional areas	Mr. Shobhan Mittal possesses innovative ideas and expertise in business administration and marketing strategy. He was instrumental in setting-up of the MDF Unit of the Company at Pantnagar, Uttarakhand as well as successfully streamlining the operations of the said Unit to bring a turnaround in the year 2011-12. He is a member of the Managing Committee of the PHD Chamber of Commerce and Industry, New Delhi.	Mr. Anupam Kumar Mukerji served as a member of the Indian Forest Service for more than 35 years both in State and in the Central Government as the Director General of forests in the Ministry of environment & forests [MOEF] till September 1994. He further served as the Vice Chairman of the National Eco-development Board till Dec 1995 & then as National consultant [FAO-UNDP] for preparation of the National Forestry Action Programme for India 1997 in MOEF. Served as member of the steering committee of the Planning Commission of India for preparation of the plan for Forest and Environment and Natural Resource development sectors for XI and now also as member of steering committee for XII plan formulation. In international sphere Served as a consultant with FAO, ADB, Ford foundation, E.U among others since 1977. Contributed invited papers in World Forestry Congresses and Commonwealth forestry conferences. Invited to the expert consultations in various international Forums.	Ms. Sonali Bhagwati Dalal is an architect by profession and possesses more than twenty-five years of experience in the field. She graduated from CEPT; Ahmedabad with honours in 1986, and during that period was a recipient of a Scholarship from L'Institute Francaise D'Architecture to work in Paris for a year. She is co-founder of Spazzio Design Architecture Private Limited (Spazzio), which was recognized internationally as one of the leading Indian contemporary Design firm. After the merger of Spazzio with Designplus Architecture Pvt. Ltd. (Designplus) , she has taken over as President of Designplus. She has been member of the Conservation society of Delhi and was active participant in seminars/ workshops organized by the Government/ Private organizations concerning issues of urbanization. She has recently been appointed as one of 3 members of Delhi Urban Arts Commission, one of the most prestigious organizations in the Country.	Mr. Upendra Nath Challu, a finance professional, started his career in 1973 with the State Bank of India and worked across India and abroad in the area of corporate/project finance and international banking business. During his illustrious career with State Bank of India, he handled many important assignments and portfolios till his superannuation in 2010. A pioneer in structuring and financing numerous infrastructure projects in power, roads and water awarded to the private sector besides rendering advisory services to various Central Government ministries, statutory corporations and State Governments on power sector, ports, highways and urban infrastructure during his tenure with SBI Capital Markets. He has considerable expertise in corporate finance and international finance besides having hands experience on use of technology for business and enabling adherence to compliance with external and internal regulations and policies. After retirement from the State Bank of India, He has continued his association with investment banking and the financial sector first as a senior advisor to Centrum Capital Ltd and thereafter as an independent director on the Board of various companies.

		Also periodically serving as senior advisor forestry, biodiversity and environment with various leading consulting organisations for monitoring and evaluation of World Bank, JICA, and UNDP sponsored forestry, watershed development, drought mitigation projects. He is presently serving as the chairman of the committee formulating the New Working Plan Code, senior advisor in ESRI-INDIA, TRAFFIC International [UK] on regional wildlife illegal trade issues, Nippon Koei – NR International in JICA supported Orissa, and Tripura Forestry Sector Development Projects and member of various committees in the MOEF, State planning board and climate change group of Tripura and advisory committee for National Heritage of INTACH and also as a senior visiting fellow with the Management Institutes like IGNFA, IIPA, IILM, AMITY, TERI among others	Her experience and expertise in architecture and Interior design has been recognized by way of numerous awards and accolades including the Zee Business 'Architect of the year', and one of twenty Best Architects of India in the magazine 'Reflection's' besides numerous coverage's in various national and international books and magazines. She has also been awarded 'Architect of the Year – 2012' by Indian Home Awards.	
Qualification	Bachelor of Business Administration from the University of Westminster, London	M. Sc (Botany) from the Birla Institute of Technology and Science, Pilani, Rajasthan and AIFC diploma from Indian Forest College, Dehradun.	B. Arch from the Centre for Environmental Planning and Technology (CEPT), Ahmedabad.	B.A. from the Meerut University, Meerut
List of outside directorship held excluding alternate directorship	1. Prime Holdings Pvt. Ltd. 2. Vanashree Properties Pvt. Ltd. 3. Dholka Plywood Industries Pvt. Ltd. 4. Educational Innovations Pvt. Ltd. 5. Niranjan Infrastructure Pvt. Ltd. 6. PHD Chamber of Commerce and Industry	Nil	1. Spazzio Projects and Interiors Pvt. Ltd. 2. Fade to Black Design and Media Pvt. Ltd.	1. ARSS Infrastructure Projects Limited 2. Uttam Value Steels Limited 3. Icomm Tele Limited

Chairman/ member of the committee of the Board of Directors of the Company	Nil	**Chairman:** Share Transfer and Investors' Grievance Committee **Member:** Audit Committee Remuneration Committee Selection Committee	Nil	**Chairman:** Nil **Member:** Audit Committee
Chairman/ member of the committee of the Board of Directors of other companies in which he/she is a director	Nil	Nil	Nil	**Chairman (Shareholders Grievance Committee):** 1. ARSS Infrastructure Projects Limited **Member(Audit Committee and Remuneration Committee):** 1. ARSS Infrastructure Projects Limited 2. Uttam Value Steels Limited
Number of Equity Shares held in the Company	472400	Nil	Nil	Nil

Disclosures of relationships between directors:

Name of the Directors	Category of Directorship	Relationship between directors
Mr. Shiv Prakash Mittal	Executive Chairman-Promoter Director	Mr. Rajesh Mittal (Brother) Mr. Saurabh Mittal (Son) and Mr. Shobhan Mittal (Son)
Mr. Rajesh Mittal	Managing Director-Promoter Director	Mr. Shiv Prakash Mittal (Brother)
Mr. Saurabh Mittal	Joint Managing Director & CEO-Promoter Director	Mr. Shiv Prakash Mittal (Father) and Mr. Shobhan Mittal (Brother)
Mr. Shobhan Mittal	Executive Director-Promoter Director	Mr. Shiv Prakash Mittal (Father) and Mr. Saurabh Mittal (Brother)
Mr. Moina Yometh Konyak	Non-Executive-Independent Director	None
Mr. Susil Kumar Pal	Non-Executive-Independent Director	None
Mr. Vinod Kumar Kothari	Non-Executive-Independent Director	None
Mr. Anupam Kumar Mukerji	Non-Executive-Independent Director	None
Ms. Sonali Bhagwati Dalal	Non-Executive-Independent Director	None
Mr. Upendra Nath Challu@	Non-Executive-Independent Director	None
Mr. Gautam Dutta#	Nominee of IDBI Bank Ltd. (lender)	None

@ appointed as an Additional director w.e.f. August 31, 2012.

 # ceased to be a director w.e.f. June 04, 2012.

3. Code of Conduct

Details of the Code of Conduct for Board members and senior management of the Company is available on the Company's website www.greenply.com. Annual declaration by the Joint Managing Director & CEO of the Company pursuant to Clause 49(I)(D) of the Stock Exchange Listing Agreement is attached with the Annual Report.

4. Audit Committee

Composition:

As at March 31, 2013, the Company's Audit Committee comprises four non-executive-independent directors, and one executive- promoter director. The Company Secretary acts as a secretary to the Audit Committee.

Mr. Susil Kumar Pal, Chairman
Mr. Shiv Prakash Mittal
Mr. Vinod Kumar Kothari
Mr. Anupam Kumar Mukerji
Mr. Upendra Nath Challu*
Mr. Gautam Dutta**
Mr. Saurabh Mittal***

* appointed as a member of the Audit Committee w.e.f. August 31, 2012.

** ceased to be a member of the Audit Committee w.e.f. June 04, 2012.

*** ceased to be a member of the Audit Committee w.e.f. the close of working hours of June 07, 2012.

The members of the committee are well-versed in matters relating to finance, accounts and general management practices.

Powers and role of the Audit Committee:

Powers:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain external, legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it is considered necessary.

Role:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by them.
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:

a) Matters required in the Director's Responsibility Statement, to be included in the Board's report in terms of Clause (2AA) of section 217 of the Companies Act, 1956.

b) Changes, if any, in accounting policies, 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) Qualifications in the draft audit report.

- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, the statement of uses/applications of funds raised through an issue (public issue, right issue, preferential issue, among others), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public/right issue, and making the appropriate recommendation to the Board to take up steps in this matter.
- Reviewing, with the management, performance of statutory and internal auditors, the adequacy of the internal control systems.
- Reviewing the adequacy of internal audit functions, 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.
- Discussion with internal auditors any significant findings and follow up there on.

- Reviewing the findings of 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.

- Discussion with statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain areas of concern.

- To look into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

- To review the functioning of the whistleblower mechanism, in case it is existing.

- Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

- Carrying out any other function as is mentioned in terms of reference of the Audit Committee.

Review of information by the Audit Committee:

The Audit Committee reviews the following information:

1. Management discussion and analysis of financial conditions and results of operations.

2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management

3. Management letter/letters of internal control weaknesses issued by the Statutory Auditors.

4. Internal audit reports relating to internal control weaknesses and

5. The appointment, removal and terms of remuneration of the Chief Internal Auditor.

Meetings and attendance:

During 2012-13, four meetings of the audit committee were held on May 30, 2012, July 23, 2012, October 29, 2012 and January 23, 2013.

Name of the Members	Category	No. of Meetings	
		Held	Attended
Mr. Susil Kumar Pal	Non-executive-Independent director	4	4
Mr. Shiv Prakash Mittal	Executive-Promoter director	4	4
Mr. Anupam Kumar Mukerji	Non-executive-Independent director	4	4
Mr. Vinod Kumar Kothari	Non-executive-Independent director	4	2
Mr. Upendra Nath Challu*	Non-executive-Independent director	2	2
Mr. Gautam Dutta**	Nominee of IDBI Bank Ltd. (lender)	1	1
Mr. Saurabh Mittal***	Executive-Promoter director	1	-

* appointed as a member of the Audit Committee w.e.f. August 31, 2012.

** ceased to be a member of the Audit Committee w.e.f. June 04, 2012.

*** ceased to be a member of the Audit Committee w.e.f. the close of working hours of June 07, 2012.

5. Subsidiary companies

The Company has three overseas wholly-owned subsidiaries viz. Greenlam Asia Pacific Pte. Ltd., Greenlam America, Inc. and Greenlam Europe (UK) Limited.

Greenlam Asia Pacific Pte. Ltd. explores new markets for our laminates in South-East Asian countries. Greenlam America, Inc. is engaged in the marketing and distribution of our high-pressure laminates in North and South America. Greenlam Europe (UK) Limited will explore the market for the products of the Company in UK.

Further, the Company has three step-down subsidiaries out of which two step-down subsidiaries viz. Greenlam Asia Pacific Co., Ltd. and Greenlam Holding Co., Ltd. are based in Thailand and the third one PT. Greenlam Asia Pacific is based in Indonesia. All the three step-down subsidiaries are direct subsidiaries of Greenlam Asia Pacific Pte. Ltd. The Thai subsidiaries are engaged in the business of marketing and distribution of high-pressure laminates in Thailand and the Indonesian subsidiary is engaged in the manufacture of promotional material i.e. catalogues, sample folders, chain sets, wall hooks and A4 size samples which used to be outsourced earlier.

6. Remuneration Committee

Composition:

Mr. Susil Kumar Pal, Chairman
Mr. Anupam Kumar Mukerji, Member and
Mr. Vinod Kumar Kothari, Member

All the aforementioned are Non-executive Independent Directors.

Terms of Reference:

- To determine the Company's policy on remuneration packages for Executive Directors and any compensation-related payments.
- To discuss, approve the appointment, reappointment of Executive Directors, Managing Directors and also to fix their remuneration packages and designations.

Meetings and Attendance:

During 2012-13, one meeting of the Committee was held on October 29, 2012.

Name of the Members	Category	No. of Meetings	
		Held	Attended
Mr. Susil Kumar Pal, Chairman	Non-executive-Independent director	1	1
Mr. Anupam Kumar Mukerji	Non-executive-Independent director	1	1
Mr. Vinod Kumar Kothari	Non-executive-Independent director	1	1

Remuneration policy, details of remuneration and other terms of appointment of directors:

In the framing of the remuneration policy, the Committee takes into consideration the remuneration practices prevailing in the industry and performance of the concerned Directors. The remuneration package is as per the provisions of the Companies Act, 1956. No sitting fee is paid to the Executive Directors for attending the Board Meetings or Committee Meetings thereof. The necessary approvals were obtained from shareholders wherever required.

There was no materially relevant pecuniary relationship or transaction of the Non-Executive Directors vis-à-vis the Company, which may affect the independence of the Directors. The Company has not granted any stock option to its Directors.

(I) Executive Directors

The details of remuneration including commission to all Executive Directors for the year ended March 31, 2013 are as follows and the same is within the ceiling prescribed under the applicable provisions of the Companies Act, 1956.

Name and Designation	Service Contract/ Notice Period*	Salary (₹)	Commission (₹)	Perquisites and other allowances (₹)
Mr. Shiv Prakash Mittal (Executive Chairman)	Reappointed for five years w.e.f. February 01, 2012	1,14,35,200	1,51,39,000	15,84,000
Mr. Rajesh Mittal (Managing Director)	Reappointed for five years w.e.f. January 01, 2011	1,04,44,000	1,51,39,000	20,16,000
Mr. Saurabh Mittal (Jt. Managing Director & CEO)	Reappointed for five years w.e.f. September 01, 2011	92,17,600	1,51,39,000	30,00,000
Mr. Shobhan Mittal (Executive Director)	Reappointed for five years w.e.f. September 01, 2011	79,52,000	1,51,39,000	43,00,000

*The appointment may be terminated by either party by giving three months' notice or salary in lieu thereof or by mutual consent.

The remuneration of the Executive Directors have been increased w.e.f. November 01, 2012. Necessary resolutions will be placed at the ensuing annual general meeting for approval of the members to the said increase in remuneration of the executive directors.

(II) Non-executive Directors

The details of sitting fees and annual commission (excluding applicable service tax) to Non-executive Directors for the financial year 2012-13 are as follows:

Name	Service Contract/ Notice Period	Sitting Fees paid (₹)	Commission payable* (₹)	Number of shares held in the Company
Mr. Moina Yometh Konyak	Retire by rotation	Nil	7,50,000	Nil
Mr. Gautam Dutta	Nominee director	15,000**	Not Applicable	Nil
Mr. Susil Kumar Pal	Retire by rotation	90,000	7,50,000	Nil
Mr. Vinod Kumar Kothari	Retire by rotation	50,000	7,50,000	Nil
Mr. Anupam Kumar Mukerji	Retire by rotation	90,000	7,50,000	Nil
Ms. Sonali Bhagwati Dalal	Retire by rotation	25,000	7,50,000	Nil
Mr. Upendra Nath Challu	Additional Director	50,000	7,50,000	Nil

*subject to approval of the shareholders. **Paid to IDBI Bank Limited.

During 2012-13, the Board of Directors of the Company approved the payment of annual commission, commencing from the financial year 2012-13, up to ₹7,50,000.00 (Rupees Seven lacs fifty thousand only) to each of the Non-executive Director (excluding Nominee Directors) of the Company subject that the total commission to all the Non-executive Directors along with the applicable service tax thereon, if any, shall not exceed 1(one) per cent of the net profit of the Company in any financial year. Necessary resolution will be placed at the ensuing annual general meeting for the approval of the members to the said increase in payment of annual commission.

7. Share Transfer and Investors Grievance Committee

Composition:

The Share Transfer and Investors Grievance Committee comprise two Promoter Directors and two Non-executive Independent Directors.

Mr. Anupam Kumar Mukerji, Chairman
Mr. Rajesh Mittal
Mr. Saurabh Mittal and
Mr. Susil Kumar Pal

Mr. Kaushal Kumar Agarwal, Company Secretary, acts as the Secretary to the Committee and Compliance Officer of the Company.

The Committee deals with matters relating to approval of transfers and transmissions, issue of duplicate share certificates, split and consolidation of certificates, dematerialisation and rematerialisation requests and monitoring of shareholder complaints.

The table gives the number of complaints received, resolved and pending during the year 2012-13.

Number of complaints:

Received	Resolved	Pending
9	9	Nil

During 2012-13, one meeting was held on March 21, 2013 and the attendance of member directors were as follows:

Name of the Members	Category	No. of Meetings	
		Held	Attended
Mr. Anupam Kumar Mukerji	Non-executive-Independent director	1	Nil
Mr. Rajesh Mittal	Executive-Promoter director	1	1
Mr. Susil Kumar Pal	Non-executive-Independent director	1	1
Mr. Saurabh Mittal	Executive-Promoter director	1	Nil

8. Operational Committee

The Committee comprises Mr. Shiv Prakash Mittal, Mr. Rajesh Mittal, Mr. Saurabh Mittal and Mr. Susil Kumar Pal. The Committee meets as and when required to consider matters assigned to it by the Board of Directors from time to time.

9. Selection Committee

The Board of Directors of the Company at their meeting held on May 30, 2012 constituted the Selection Committee as per the requirements of the Director's Relatives (Office or Place of Profit) Rules, 2011. The said Committee has been dissolved by the Board of Directors w.e.f. May 17, 2013. However, the details of the Selection Committee prior to dissolution were as below.

The Committee comprised of three non-executive independent directors and one outside expert.

Mr. Susil Kumar Pal, Non-executive-independent director

Mr. Anupam Kumar Mukerji, Non-executive-independent director

Mr. Vinod Kumar Kothari, Non-executive-independent director and

Mr. Manoj Lunia, Outside Expert

Mr. Kaushal Kumar Agarwal, Company Secretary of the Company, acted as the secretary to the Selection Committee.

During 2012-13, one meeting of the Committee was held on May 30, 2012 in which all the committee members were present.

10. General Body Meetings

i. The details of last three Annual General Meetings of the shareholders are as under:

Financial year ended	Date of AGM	Vanue	Time
March 31, 2012	24-08-2012 (22nd AGM)	Makum Road, Tinsukia, Assam - 786 125	10:00 A.M.
March 31, 2011	19-08-2011 (21st AGM)	Makum Road, Tinsukia, Assam - 786 125	10:00 A.M.
March 31, 2010	06-08-2010 (20th AGM)	Makum Road, Tinsukia, Assam - 786 125	10:00 A.M.

ii. Special resolutions passed at the last three Annual General Meetings are as below:

- **At the 22nd Annual General Meeting held on August 24, 2012**

a. Resolution under Section 314(1B) of the Companies Act, 1956 for appointment of Ms. Parul Mittal, a relative of directors, as President-Brand Management (Decorative Division) of the Company.

b. Resolution under Section 314(1) of the Companies Act, 1956 for appointment of Ms. Chitwan Mittal, a relative of directors, as President-Brand Management (Engineered Panel Division) of the Company.

- **At the 21st Annual General Meeting held on August 19, 2011**

Nil

- **At the 20th Annual General Meeting held on August 6, 2010**

Resolution under Section 309(4) of the Companies Act, 1956 for increasing the payment of commission to all Non-executive Directors excluding Nominee Directors with effect from the financial year 2010-11.

iii. No special resolution was passed through postal ballot during the last year. Also no special resolution is proposed to be conducted through postal ballot so far.

11. Disclosures

a) The Company does not have related party transactions, which may have potential conflict with the interest of the Company at large. Further, the statutory disclosure requirements relating to related party transactions have been complied in the Annual Accounts.

b) The financial statements have been made in accordance with the Accounting Standards so as to represent a true and fair view of the state of the affairs of the Company.

c) The Company has laid down procedures to inform Board members about the risk assessment and minimisation procedure, which are periodically reviewed.

d) No penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to the capital market during the last three years.

e) The Company complied with all the mandatory requirements as prescribed and made considerable progress towards adopting the non-mandatory, Whistleblower policy, in the Company. However, no person has been denied access to the Audit Committee.

f) In addition to Directors' Report, a Management Discussion and Analysis Report form part of the Annual Report to the shareholders. All key managerial personnel and senior management have confirmed that they do not have any material, financial and commercial interest in transactions with the Company that may have a potential conflict with the interest of the Company at large.

12. Adoption of non-mandatory requirements

The Company has complied with the non-mandatory requirements of Clause 49 of the Listing Agreement with regards to constitution of Remuneration Committee.

13. Means of communication

The quarterly/half-yearly/annual financial results of the Company are sent to Stock Exchanges immediately after they are approved by the Board of Directors. These are also published in the prescribed proforma within 48 hours of the conclusion of the meeting of the Board in which they are considered, in English newspaper circulating the whole or substantially the whole of India and in one vernacular newspaper of the state where the registered office of the Company is situated. In addition, these results are simultaneously posted on the Company's website. The official press releases are also available on the Company's website.

Details about the means of communication:

Recommendation	Compliance
Quarterly/Annual results	Published in leading newspapers
Newspapers wherein results are normally published	Ajir Assam or Amar Asom (Assamese daily), The Economic Times, Hindu Business Line among others
Any website, where displayed	www.greenply.com
Whether it also displays official news releases and presentation made to institutional investors or to the analysts.	Yes

14. General shareholders' information

i.	**Date, time and venue of the Annual General Meeting**	August 23, 2013 10:00 a.m. at the Regd. Office of Greenply Industries Ltd. Makum Road, P.O. Tinsukia, Assam -786 125
ii.	**Financial Year**	Financial year of the Company is from April 01 to March 31. Publication of results for the financial year 2013-14 (tentative and subject to change) First quarter results: On or before August 14, 2013 Second quarter and half year results: On or before November 14, 2013 Third quarter results: On or before February 14, 2014 Fourth quarter results and results for the year ending March 31, 2014: On or before May 30, 2014.
iii.	**Dates of book closure**	From August 06, 2013 to August 08, 2013 (both days inclusive)
iv.	**Dividend payment date**	Between August 26, 2013 and August 30, 2013
v.	**Listing of Equity Shares at Stock Exchanges:**	BSE Ltd. (BSE) Floor 25, P. J. Towers Dalal Street, Fort Mumbai-400 001 National Stock Exchange of India Ltd. (NSE) Exchange Plaza, Bandra Kurla Complex, Bandra (E) Mumbai– 400 051
vi.	**Stock Code/Symbol**	BSE: 526797 NSE: GREENPLY

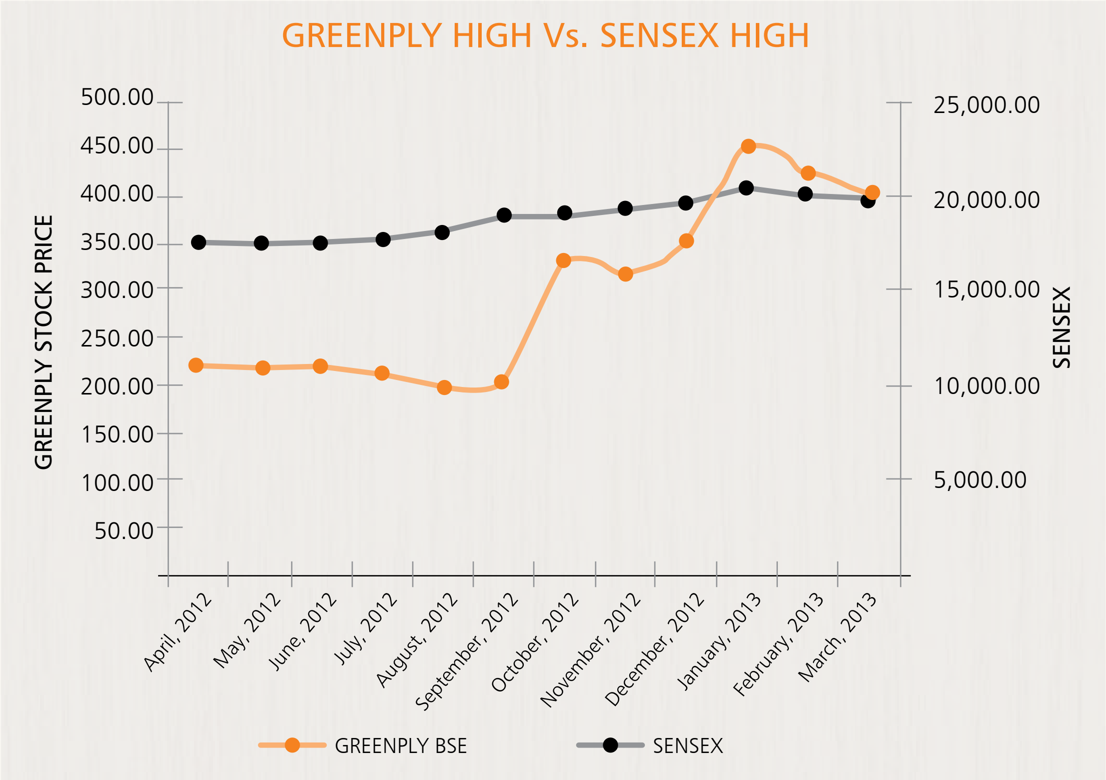
vii. Market price data for the financial year 2012-13

Month	At BSE		At NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2012	219.75	198.10	219.50	195.05
May 2012	220.00	202.55	220.80	200.10
June 2012	219.00	187.00	220.00	183.65
July 2012	209.95	181.00	200.00	180.20
August 2012	198.00	183.05	202.15	180.00
September 2012	203.85	180.30	201.00	183.15
October 2012	329.95	196.00	330.75	192.10
November 2012	317.65	272.10	321.45	277.75
December 2012	349.00	293.30	350.00	297.10
January 2013	450.10	316.05	450.50	315.00
February 2013	424.50	338.00	429.95	337.15
March 2013	399.00	321.40	399.90	313.20

viii. E-mail ID for Investors: investors@greenply.com

ix. Performance in comparison to broad based indices such as BSE Sensex, CRISL index among others

Greenply shares performance:



x.	Registrars & Share Transfer Agents	M/s. S. K. Infosolutions Pvt. Ltd. 34/1A, Sudhir Chatterjee Street Kolkata – 700 006 Phone: (033)-2219-4815/6797 Fax: (033)-2219-4815
xi.	Share Transfer System	The Company has a Committee of the Board of Directors called Share Transfer and Investors' Grievance Committee, which meets as and when required. The formalities for transfer of shares in the physical form are completed and share certificates are dispatched to the transferee within 15 days of receipt of the transfer documents, provided the documents are complete and the shares under transfer are not under dispute.

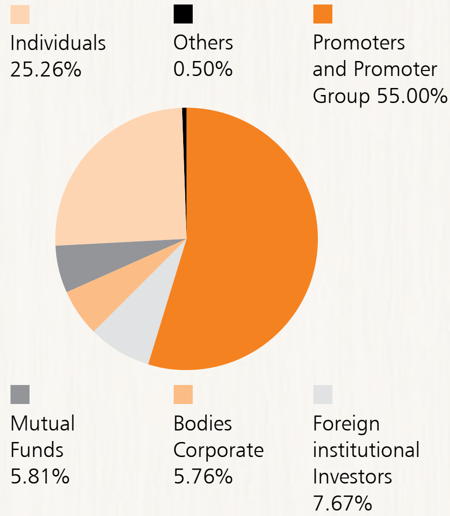
xii. Distribution of equity shareholding as on March 31, 2013.

a. Distribution of shareholding by size is as given below:

Range in number of shares held	Number of shareholders	Percentage of shareholders	Number of shares held	Percentage of shares held
1-500	3,489	88.80	294,433	1.22
501-1,000	164	4.17	120,983	0.50
1,001-2,000	108	2.75	153,885	0.64
2,001-3,000	34	0.87	85,663	0.35
3,001-4,000	16	0.41	56,666	0.23
4,001-5,000	9	0.23	43,238	0.18
5,001-10,000	36	0.92	242,815	1.01
10,001-50,000	33	0.84	653,778	2.71
50,001-100,000	11	0.27	803,630	3.33
100,001 and Above	29	0.74	21,681,283	89.83
Total	**3,929**	**100.00**	**24,136,374**	**100.00**

b. Distribution of shareholding by category is as given below:

Category of Shareholders	Number of shares	Percentage of shares
Promoters and Promoter Group	1,32,75,000	55.00
Foreign Institutional Investors	18,50,207	7.67
Mutual Funds	14,02,196	5.81
Bodies Corporate	13,91,315	5.76
Individuals	60,97,202	25.26
Others	1,20,454	0.50
Total	**2,41,36,374**	**100.00**



xiii.	**Dematerialisation of shares and liquidity**	The Company's Equity Shares are tradable compulsorily in electronic form and are available for trading in the depository systems of both National Securities Depository Ltd (NSDL) and the Central Depository Services (India) Ltd (CDSL). The International Securities Identification Number (ISIN) of the company, as allotted by NSDL and CDSL, is INE 461C01020. Nearly 99.83% of total listed Equity Shares have been dematerialised as on March 31, 2013.

xiv. Outstanding ADRs/GDRs/Warrants or any other convertible instruments, conversion date and likely impact on equity: Nil.

xv. Corporate Identity Number (CIN):L20211AS1990PLC003484

xvi. Plant locations:

Plywood & Allied Products	Laminate & Allied Products	Medium Density Fibreboard
• P.O. Tizit, Dist: Mon Nagaland	• RIICO Industrial Estate P.O. Behror Dist: Alwar Rajasthan	• Integrated Industrial Estate Pantnagar Udham Singh Nagar Uttarakhand
• Kriparampur P.O.Sukhdevpur Dist:24Parganas(S) West Bengal	• Village Paterh Bhonku Tehsil Nalagarh Dist. Solan Himachal Pradesh - 174101	**Plywood & Reconstructed Veneers** • Integrated Industrial Estate Pantnagar Udham Singh Nagar Uttarakhand
• Plot No. 910-913 G.I.D.C. Estate Bamanbore Dist. Surendranagar Gujarat - 363 520		

xvii. Address for correspondence:

M/s. S. K. Infosolutions Pvt. Ltd.
34/1A, Sudhir Chatterjee Street
Kolkata – 700 006
Phone: (033) 2219-4815/6797
Fax: (033) 2219-4815
Contact Person: Mr. Dilip Bhattacharya, Director
Email: agarwalskc@rediffmail.com

On behalf of the Board of Directors

Place: Kolkata
Date: May 29, 2013

S. P. Mittal
Executive Chairman

auditors' certificate

To
The Members of
Greenply Industries Limited

We have examined the compliance of conditions of Corporate Governance by Greenply Industries Limited for the year ended March 31, 2013, as stipulated in Clause 49 of the Listing Agreement of the said company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **D. DHANDARIA & COMPANY**
Chartered Accountants
ICAI Firm Reg. No. **306147E**

(Dindayal Dhandaria)
Partner
Membership No. **10928**

Place: Kolkata
Dated: May 29, 2013

Declaration by the Joint Managing Director and CEO under Clause 49 of the Listing Agreement regarding compliance with Code of Conduct

To
The Members of
Greenply Industries Limited

In accordance with Clause 49(I)(D) of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all the directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended March 31, 2013.

Place: Kolkata
Date: May 29, 2013

Saurabh Mittal
Joint Managing Director & CEO

Certification by Chief Executive Officer and Chief Financial Officer pursuant to Clause 49 of the Listing Agreement

To
The Board of Directors
Greenply Industries Limited

a) We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2013 and that to the best of our knowledge and belief:

   i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii) 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 the Company during the year ended March 31, 2013 which are fraudulent, illegal or violative of the Company's code of conduct.

c) We accept responsibility 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 and we 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 propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee

   i) that there are no significant changes in internal control over financial reporting during the year ended March 31, 2013;

   ii) that there are no significant changes in accounting policies during the year ended March 31, 2013; and

   iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or employees having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata	**Saurabh Mittal**	**Vishwanathan Venkatramani**
Date: May 29, 2013	*Joint Managing Director & CEO*	*Chief Financial Officer*

Independent Auditors' Report

To
The Members of
Greenply Industries Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **M/s. GREENPLY INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

b) in the case of Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and

c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditors' Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

(2) As required by section 227(3) of the Act, we report that:

(a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 and proper returns adequate for the purposes of our audit have been received from branches not visited by us.

(c) The Balance Sheet and the Statement of Profit and Loss, and the Cash Flow Statement dealt with in this report are in agreement with the books of account and with the returns received from branches not visited by us.

(d) In our opinion, Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956.

(e) On the basis of the written representations received from the directors as on March 31, 2013, taken on record by Board of Directors, none of the directors is disqualified as on 31st March, 2013, from being appointed as directors in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.

For **D. DHANDARIA & COMPANY**
Chartered Accountants
ICAI Firm Reg. No. **306147E**

(Dindayal Dhandaria)
Partner
Membership No. **10928**

Place: Kolkata
Dated: 29th May, 2013

Annexure to Independent Auditor's Report

Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements"

1. In respect of its fixed assets:
   (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
   (b) A substantial portion of the fixed assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
   (c) As the Company has not disposed off any major part of the fixed assets, the going concern status of the Company is not affected.
2. In respect of its inventories:
   (a) As explained to us, the inventory has been physically verified during the year by the management at reasonable intervals.
   (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
   (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventory and no material discrepancies were noticed on physical verification.
3. (a) As informed to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 and as such clauses (iii)(a) to (iii)(d) of Paragraph 4 are not applicable.
   (b) As informed to us, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 and as such clauses (iii)(e) to (iii)(g) of Paragraph 4 are not applicable.
4. In our opinion and according to the information and explanation given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system;
5. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:
   (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered and the register required to be maintained under that section;
   (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public during the year. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete. Further, the due date of submission of the Cost Auditor's report has not expired and the same has not been received by the Company.
9. In respect of statutory dues:
   (a) According to the records of the Company, the Company has generally been regular in depositing Provident Fund, Investor Education Protection Fund, Employees' State Insurance, Income Tax, Value Added Tax, Sales Tax, Entry Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it with the appropriate authorities though there has been a slight delay in a few cases.

      Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the Company in depositing the same.

(b) According to information and explanations given to us, no undisputed amount payable in respect of Provident Fund, Investor Education Protection Fund, Employees' State Insurance, Income Tax, Value Added Tax, Sales Tax, Entry Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other undisputed statutory dues were outstanding at the year end, for a period of more than six months from the date they become payable.

(c) According to the information and explanation given to us, the following disputed amounts have not been deposited by the Company :

Statement of disputed dues

Name of the Statute	Nature of the Dues	Amount (₹ in Lacs)	Period to which the amount relates (Financial Year)	Forum where dispute is pending
A) i) West Bengal Sales Tax Act,1994	Sales Tax Surcharge & Additional Surcharge Penalty (For short submission of Declaration Form 11)	10.26	1998 – 1999	Senior Joint Commissioner of Commercial Taxes, Corporate Division
ii) West Bengal Sales Tax Act,1994	Sales Tax Surcharge & Additional Surcharge Penalty (For short submission of Declaration Form 11)	0.57	1999 – 2000	West Bengal Taxation Tribunal, Kolkata
iii) West Bengal Sales Tax Act,1994	Sales Tax Surcharge & Additional Surcharge Penalty (For short submission of Declaration Form 11)	67.08	2000 – 2001	Assistant Commissioner of Commercial Taxes, South Circle, Kolkata.
iv) West Bengal Sales Tax Act,1994	Disallowance of Input Vat and Purchase Tax	8.40	2005 – 2006	West Bengal Commercial Taxes Appellate & Revision Board, Kolkata.
v) West Bengal Sales Tax Act,1994	Disallowance of Input Vat and Purchase Tax	16.06	2006 – 2007	West Bengal Commercial Taxes Appellate & Revision Board, Kolkata.
vi) West Bengal Sales Tax Act,1994	Disallowance of Input Vat and Purchase Tax	296.57	2008 – 2009	West Bengal Taxation Tribunal, Kolkata
B) i) Central Sales Tax Act, 1956	Sales Tax (For short submission of Declaration Form C)	17.59	2000 – 2001	Assistant Commissioner of Commercial Taxes, South Circle, Kolkata.
ii) Central Sales Tax Act, 1956	Sales Tax (For short submission of Declaration Form C)	10.22	1999 – 2000	Calcutta High Court, Kolkata
iii) Central Sales Tax Act, 1956	Sales Tax (For short submission of Declaration Form C)	8.72	2005 – 2006	West Bengal Commercial Taxes Appellate & Revision Board, Kolkata.
iv) Central Sales Tax Act, 1956	Sales Tax (For short submission of Declaration Form C)	3.35	2006 – 2007	West Bengal Commercial Taxes Appellate & Revision Board, Kolkata.
v) Central Sales Tax Act, 1956	Sales Tax (For Non allowance of Declaration Form C & F)	74.63	2008 – 2009	Calcutta High Court, Kolkata
vi) Central Sales Tax Act, 1956	Set-off of the Entry Tax with the Sales Tax in respect of Branch Transfer	13.51	2006 – 2007	Deputy Commissioner of Commercial Taxes (Appeals), Alwar.

Statement of disputed dues

Name of the Statute	Nature of the Dues	Amount (₹ in Lacs)	Period to which the amount relates (Financial Year)	Forum where dispute is pending
C) i) Rajasthan Entry Tax – Goods Act, 2003	Set-off of the Entry Tax with the Sales Tax in respect of Branch Transfer	76.06	2003 – 2004	Tax Board, Ajmer
ii) Rajasthan Entry Tax – Goods Act, 2003	Set-off of the Entry Tax with the Sales Tax in respect of Branch Transfer	30.44	2004 – 2005	Tax Board, Ajmer
iii) Rajasthan Entry Tax – Goods Act, 2003	Set-off of the Entry Tax with the Sales Tax in respect of Branch Transfer	55.74	2005 – 2006	Tax Board, Ajmer
iv) Rajasthan Entry Tax – Goods Act, 2003	Writ Petition filed in respect of levy of Entry Tax	12.37	2007– 2008	Rajasthan High Court, Jodhpur
D i) Central Excise Act, 1944	Wrong claim of Cenvat Credit on Service Tax paid on Input Services	4.89	2007-2008	Deputy Commissioner, Central Excise, Jorhat
ii) Central Excise Act, 1944	Wrong claim of Cenvat Credit on Service Tax paid on Input Services	0.65	2006-2007	Deputy Commissioner, Central Excise, Jorhat
iii) Central Excise Act, 1944	For imposition of Penalty (appeal filed by the department)	43.71	2000-2001 to 2005-2006	Customs, Excise and Service Tax Appellate Tribunal, East Zonal Bench, Kolkata
iv) Central Excise Act, 1944	Disallowance of Cenvat Credit	19.71	2005-06 & 2006-07	Commissioner (Appeals), Kolkata-I
v) Central Excise Act, 1944	Imposition of Penalty on Cenvat Credit	19.71	2005-06 & 2006-07	Commissioner (Appeals), Kolkata-I
vi) Central Excise Act, 1944	For imposition of Penalty	7.35	2006-07 & 2007-08	Commissioner (Appeals), Kolkata-I
E) Delhi Value Added Tax Act, 2004	Sales Tax (For short submission of Declaration Form C)	17.85	2006-07	Additional Commissioner of VAT, New Delhi
F) i) Bihar Value Added Tax Act, 2005	Denial of Entry Tax Credit	41.24	2009-10	Commercial Taxes Tribunal, Patna
ii) Bihar Value Added Tax Act, 2005	Denial of Entry Tax Credit	19.75	2008-09	Commercial Taxes Tribunal, Patna
G) i) Orissa Value Added Tax Act, 2004	Excess VAT demand with Penalty	4.41	1.12.2008 to 31.12.2011	Dy. Commissioner of Sales Tax, Bhubaneswar Range, Bhubaneswar
ii) Orissa Entry Tax Act, 1999	Excess Entry Tax demand with Penalty	0.49	1.12.2008 to 31.12.2011	Dy. Commissioner of Sales Tax, Bhubaneswar Range, Bhubaneswar

10. The Company does not have accumulated losses at the year end and has not incurred cash losses during the period covered by our audit and the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the Company has not issued any debentures. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank as at the balance sheet date.
12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
15. In our opinion, the terms and conditions on which the Company has given guarantees for loans taken by its subsidiary company from a bank are not prejudicial to the interest of the Company.
16. In our opinion and according to information and explanations given to us, the term loans have been applied for the purposes for which they were raised.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the no funds raised on short-term basis have been used for long term investment.
18. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956, during the year.
19. According to the information and explanations given to us, the Company has not issued any debentures.
20. The Company has not raised money by public issue during the period and hence the question of disclosure and verification of end use of such money does not arise.
21. We have been informed that during the year the Company came to know that few employees of the Company, acting collusively, have been diverting funds of the Company, fraudulently, to their own accounts and to the accounts of their relatives since financial year 2010-11. Such amount is estimated to be ₹ 1.74 crores against which recovery made so far is ₹ 21.86 lacs. The Company has lodged criminal complaint against these employees and their relatives with police authorities and the matter is under investigation. As the amounts misappropriated have already effected the revenues of the Company, no further adjustment, therefore, is required. Pending investigation, no adjustment has been made for the amount recovered. According to the information and explanations given to us, no material fraud by the Company has been noticed or reported during the course of our audit.

For D. DHANDARIA & COMPANY
Chartered Accountants
ICAI Firm Reg. No. 306147E

(Dindayal Dhandaria)
Partner
Membership No. 10928

Place: Kolkata
Dated: 29th May, 2013

Balance Sheet as at 31st March, 2013

(₹ in Lacs)

	Note No.	As at 31st March, 2013		As at 31st March, 2012	
EQUITY AND LIABILITIES:					
Shareholders' Funds :					
Share Capital	1	1206.82		1206.82	
Reserves & Surplus	2	46506.23		35940.14	
			47713.05		37146.96
Non-current Liabilities :					
Long-Term Borrowings	3	23534.36		26686.05	
Deferred Tax Liabilities (Net)	4	4033.45		3355.51	
Other Long Term Liabilities	5	841.35		743.54	
Long-Term Provisions	6	1667.06		1233.63	
			30076.22		32018.73
Current Liabilities					
Short-Term Borrowings	7	29765.67		33401.40	
Trade Payables		29332.26		16534.21	
Other Current Liabilities	8	14669.63		11558.34	
Short-Term Provisions	9	1028.45		703.57	
			74796.01		62197.52
Total			152585.28		131363.21
ASSETS :					
Non-current Assets					
Fixed Assets :	10				
Tangible Assets		64345.68		61564.05	
Intangible Assets		833.16		365.36	
Capital Work-in-Progress		2337.08		1115.25	
Intangible Assets under Development		–		234.93	
		67515.92		63279.59	
Investments	11	1752.50		874.50	
Long Term Loans & Advances	12	4338.51		1379.00	
Other Non-current Assets	13	0.58		26.19	
			73607.51		65559.28
Current Assets					
Inventories	14	32791.39		27729.15	
Trade Receivables	15	34320.70		29087.01	
Cash & Bank Balances	16	1627.82		1216.28	
Short Term Loans & Advances	17	10212.24		7745.87	
Other Current Assets	18	25.62		25.62	
			78977.77		65803.93
Total			152585.28		131363.21
Significant Accounting Policies					
Notes on Financial Statements	1 to 38				

As per our annexed report of even date.

For **D. DHANDARIA & COMPANY**
Chartered Accountants
ICAI Firm Reg. No. **306147E**

S P Mittal
Executive Chairman

Rajesh Mittal
Managing Director

(Dindayal Dhandaria)
Partner
Membership No. **10928**

K K Agarwal
Company Secretary

Susil Kumar Pal
Director

Place : Kolkata
Dated : 29th May 2013

Statement of Profit and Loss for the year ended 31st March, 2013

(₹ in Lacs)

	Note No.	For the year ended 31st March, 2013		For the year ended 31st March, 2012	
INCOME :					
Sale of Products			207513.91		171314.72
Other Operating Revenue			312.20		138.21
			207826.11		171452.93
Less : Central Excise Duty			7744.66		7087.11
Revenue from Operations	19		200081.45		164365.82
Other Income	20		649.89		590.73
Total Revenue			**200731.34**		**164956.55**
EXPENDITURE :					
Cost of Materials Consumed	21		111481.62		92366.37
Purchase of finished/traded goods	22		8658.87		9058.23
Changes in Inventories of Finished Goods,					
Stock in Process and Stock in Trade	23		(1397.46)		(2069.77)
Employees Benefits Expense	24		16167.72		13001.24
Finance Costs	25		6072.18		6078.21
Depreciation & Amortization Expense	26		5198.74		4677.13
Other Expenses	27		38712.39		33537.42
Loss due to Fluctuation in Foreign Exchange Rates			698.71		1815.78
Total Expenditure			**185592.77**		**158464.61**
Profit before Tax			**15138.57**		**6491.94**
Tax Expense					
Current Tax		3028.88		1298.89	
Add/ (Less) : Mat Credit Entitlement		15.58		(1033.79)	
		3044.46		265.10	
Deferred Tax		677.95	3722.41	885.87	1150.97
Profit for the Year			**11416.16**		**5340.97**
Earnings per Equity Share of face value of ₹ 5 each	34				
Basic (in ₹)			47.30		22.13
Diluted (in ₹)			47.30		22.13
Significant Accounting Policies					
Notes on Financial Statements	1 to 38				

As per our annexed report of even date.

For **D. DHANDARIA & COMPANY**
Chartered Accountants
ICAI Firm Reg. No. **306147E**

(Dindayal Dhandaria)
Partner
Membership No. **10928**

Place : Kolkata
Dated : 29th May 2013

S P Mittal
Executive Chairman

Rajesh Mittal
Managing Director

K K Agarwal
Company Secretary

Susil Kumar Pal
Director

Cash Flow Statement for the year ended 31st March, 2013

(₹ in Lacs)

	For the year ended 31st March, 2013		For the year ended 31st March, 2012	
A. CASH FLOW ARISING FROM OPERATING ACTIVITIES:				
Net Profit before Tax and Extraordinary items		15138.57		6491.94
Add: a) Depreciation	5198.74		4677.13	
b) Finance Costs	6072.18		6078.21	
c) Loss on Sale / Discard of Fixed Assets	165.56		183.24	
d) Gratuity	309.48		201.68	
e) Share Issue Expenses written off	25.62		25.62	
		11771.58		11165.88
		26910.15		17657.82
Less: a) Interest Income	487.87		558.11	
b) Insurance Claim Received	258.97		89.74	
c) Dividend Received	0.15		0.17	
		746.99		648.02
Operating Profit before Working Capital Changes		26163.16		17009.80
Less: a) Increase in Trade and Other Receivables	10829.25		8686.00	
b) Increase in Inventories	5062.24		4800.90	
c) Decrease in Trade Payables	(13939.29)	1952.20	(753.43)	12733.47
Cash Inflow (+)/Outflow (-) from Operations		24210.96		4276.33
Add/Less: a) Income Tax Paid/refund received (-)	2950.99		1276.89	
b) Gratuity Paid	54.92	3005.91	29.52	1306.41
Net Cash Inflow (+)/Outflow (-) in course of Operating Activities		**21205.05**		**2969.92**
B. CASH FLOW ARISING FROM INVESTING ACTIVITIES:				
OUTFLOW				
a) Acquisition of Fixed Assets	9414.70		6048.59	
b) Investment	878.00		–	
		10292.70		6048.59
Less : INFLOW				
a) Sale of Fixed Assets	173.98		227.55	
b) Interest Received	487.87		558.11	
c) Dividend Received	0.15		0.17	
d) Receipt of Capital Subsidy	30.00		30.00	
e) Insurance Claim Received	258.97	950.97	89.74	905.57
Net Cash Inflow (+) / Outflow (-) in course of Investing Activities		**(9341.73)**		**(5143.02)**
C. CASH FLOW ARISING FROM FINANCING ACTIVITIES:				
INFLOW				
a) Proceeds from issue of Share Capital	–		28.28	
b) Long Term Borrowings	6456.80		5500.00	
c) Short Term Borrowings (Net)	(3635.73)		9705.60	
d) Deferred Payment Liabilities (Net)	633.68		194.33	
		3454.75		15428.21
DEDUCT : OUTFLOW				
a) Long Term Borrowings	8109.69		7573.72	
b) Interest Paid	6311.98		5700.38	
c) Dividend & Corporate Dividend Tax Paid	561.04		280.52	
		14982.71		13554.62
Net Cash Inflow in course of Financing Activities		**(11527.96)**		**1873.59**
Net Increase (+) / Decrease in Cash/Cash Equivalents (A+B+C)		335.36		(299.51)
Add : Balance at the beginning of the year		629.92		929.43
Cash / Cash Equivalents at the close of the Year		**965.28**		**629.92**

As per our annexed report of even date.

For **D. DHANDARIA & COMPANY**
Chartered Accountants
ICAI Firm Reg. No. **306147E**

S P Mittal
Executive Chairman

Rajesh Mittal
Managing Director

(Dindayal Dhandaria)
Partner
Membership No. **10928**

K K Agarwal
Company Secretary

Susil Kumar Pal
Director

Place : Kolkata
Dated : 29th May 2013

Significant Accounting Policies

1.00 SIGNIFICANT ACCOUNTING POLICIES:

1.01 DISCLOSURE OF ACCOUNTING POLICIES (AS-1):

1. 01.01 Nature of Operation

Company is an interior infrastructure company engaged in the business of manufacturing plywood and allied products, laminates, particle boards, medium density fibre boards, etc. through its factories at various locations and branches and dealers' network spread all over the country. It has three wholly owned subsidiary companies operating in Singapore, America and Europe. It imports raw materials for manufacturing and also finished goods for trading. Manufactured goods are sold both in domestic and overseas markets. The Overseas subsidiaries of the Company are engaged in the business of trading in similar products.

1.01.02 Accounting Concepts & Basis of Presentation

The financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis, except for certain fixed assets which are revalued. GAAP comprises mandatory accounting standards as specified in the Company (Accounting Standards) Rules 2006, the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The management evaluates all recently issued or revised accounting standards on an on-going basis. Where changes are made in presentation, the comparative figures of the previous year are regrouped and re-arranged accordingly.

1.01.03 Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

1.02 VALUATION OF INVENTORIES (AS-2):

1.02.01 Stock of Raw Materials, Stores and spare parts are valued at cost; and of those in transit, at port and at Bonded Warehouse related to these items are valued at cost to date.

1.02.02 Goods-in-process is valued at cost.

1.02.03 Stock of Finished goods and semi-finished goods are valued at cost or net realisable value whichever is lower.

1.02.04 Waste and scraps are accounted at estimated realisable value.

1.02.05 Cost of inventories is generally ascertained on the 'weighted average' basis. Goods-in-process, finished and semi-finished goods are valued on absorption cost basis.

1.02.06 The self-generated Certified Emission Reductions (CERs) are recognized as asset on certification by UNFCCC and are valued at cost or net realizable value, whichever is lower.

1.03 CASH FLOW STATEMENT (AS – 3):

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company is segregated. Cash and cash equivalents in the balance sheet comprise cash at bank (excluding pledged term deposits), cash/ cheques in hand and short term investments with an original maturity of three months or less.

1.04 CONTINGENCIES AND EVENTS OCCURRING AFTER BALANCE SHEET DATE (AS -4):

Disclosure of contingencies as required by the accounting standard is furnished in the Notes on accounts.

1.05 NET PROFIT OR LOSS FOR THE PERIOD, PRIOR PERIOD ITEMS AND CHANGES IN ACCOUNTING POLICIES (AS –5):

Net Profit or loss for the period and prior period items are shown separately in the Profit & Loss Account.

Significant Accounting Policies

1.06 DEPRECIATION (AS – 6):

1.06.01 Depreciation on Fixed Assets is provided for on straight-line method in accordance with and generally at the rates specified in Schedule XIV to the Companies Act, 1956. Leasehold lands at Kriparampur, Rudrapur and Rajkot units are amortised over the period of lease. Other leasehold lands are not amortised.

1.06.02 Depreciation in respect of additions to assets has been charged on pro rata basis with reference to the period of use of such assets. The provision for depreciation for multiple shifts has been made in respect of eligible assets on the basis of operation of respective units. In respect of continuous process plant, depreciation has been provided as per rates prescribed in Schedule XIV of the Companies Act, 1956.

1.07 REVENUE RECOGNITION (AS -9):

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

1.07.01 **Sale of Goods:** Sales are accounted for on despatch of products to customers. Gross sales shown in the Statement of Profit & Loss are inclusive of Excise Duty and the value of self-consumption, inter-transfers and export incentives but excludes discounts, CST and VAT. Net sales are shown after deducting Excise duty which is disclosed at appropriate places.

1.07.02 **Interest:** Interest income is recognized on a time proportion basis taking into account the amount outstanding and rate applicable

1.07.03 **Dividends:** Dividend from investment is recognized when the Company in which they are held declares the dividend and when the right to receive the same is established.

1.07.04 **Export incentives:** Benefit on account of entitlement to import goods free of duty under the "Duty Entitlement Pass Book under Duty Exemption Scheme (DEPB)", Duty Free Replenishment Certificate (DFRC), Duty Free Import Authorisation (DFIA) Scheme to the extent of their face value are accounted for as and when exports are made i.e., in the year of export. Profit or loss arising on utilisation of the same and/or sale thereof are accounted for in the year in which either the imports are made against the said DEPB, DFRC or DFIA and/or the same are sold.

1.07.05 In case of manufacturing units exempt from payment of VAT/Sales tax under State laws, VAT input credit receivable is carried forward as an asset to the extent it is eligible for set-off in subsequent years.

1.08 ACCOUNTING FOR FIXED ASSETS (AS – 10):

1.08.01 Fixed assets, which are revalued, are stated at revalued amounts as a result of their revaluation.

1.08.02 Other Fixed Assets are stated at cost less accumulated depreciation. Cost includes borrowing costs and all incidental expenditure net of CENVAT, Service Tax Input Credit and VAT Input Credit, wherever applicable.

1.08.03 Revenue expenses incurred in connection with project implementation insofar as such expenses relate to the period prior to the commencement of commercial production are treated as part of project cost and capitalized.

1.09 ACCOUNTING FOR THE EFFECTS IN FOREIGN EXCHANGE RATES (AS – 11):

1.09.01 Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing at the time of the transactions.

1.09.02 In conformity with revised Accounting Standard (AS – 11), issued by the Institute of Chartered Accountants of India (ICAI), monetary items denominated in foreign currencies at the year end and not covered by forward exchange contracts are translated at year end rates and those covered by forward exchange contracts are translated at the rate ruling at the date of transaction as increased or decreased by the difference between the forward rate and exchange rate on the date of transaction, such difference having been amortised over the life of the contract.

1.09.03 Non-monerary items carried at historical cost are reported using the rate at the date of transaction.

1.09.04 In respect of branches, which are integral foreign operations, all transactions are translated at rates prevailing on the date of transaction or that approximates the actual rate at the date of transaction. Branch monetary assets and liabilities are restated at the year end rates.

Significant Accounting Policies

1.09.05 Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account. However, in case of long term liabilities, where they relate to acquisition of fixed assets, the income or expense on account of exchange difference is adjusted to the carrying cost of such assets.

1.10 ACCOUNTING FOR INVESTMENTS (AS – 13):

Investments, being long term in nature, are valued at cost of acquisition. Adjustment for increase/decrease in the value of investments, if any, will be accounted for on realisation of the investments. A provision for diminution is made to recognise a decline, other than temporary, in the value of long term investments.

1.11 EMPLOYEE BENEFITS (AS – 15):

1.11.01 Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

1.11.02 Post employment and other long term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognized at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of past employment and other long term benefits are charged to the profit and loss account.

1.12 BORROWING COSTS (AS – 16):

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

1.13 SEGMENT REPORTING (AS – 17):

1.13.01 Identification of Segments:

Primary Segment

Business Segment:

The Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products and serves different markets. The identified segments are Manufacturing & Sale of (a) Plywood & Allied products; (b) Laminates & Allied products, and (c) Medium Density Fibre Boards.

Secondary Segment

Geographical Segment:

The analysis of geographical segment is based on the geographical location of the customers.

The geographical segments considered for disclosure are as follows:

- Sales within India include sales to customers located within India.
- Sales outside India include sales to customers located outside India.

1.13.02 Allocation of Common costs:

Common allocable costs are allocated to each segment according to the ratio of their respective turnover to the total turnover.

1.13.03 Unallocated items:

The Unallocated Segment includes general corporate income and expense items, which are not allocated to any business segment.

1.14 RELATED PARTY DISCLOSURES (AS – 18):

Disclosure of related parties as required by the accounting standard is furnished in the Notes on accounts.

1.15 LEASES (AS – 19):

In accordance with Accounting Standard 19 "Accounting for leases", lease arrangements, where the risks and rewards incidental to ownership of an asset substantially vests with the lessor, are recognized as operating leases. Lease payments under operating leases are recognized as an expense in the Statement of Profit and Loss.

1.16 EARNINGS PER SHARE (AS – 20):

Basic earnings (loss) per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Significant Accounting Policies

Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.17 CONSOLIDATED FINANCIAL STATEMENTS (AS – 21):

1.17.01 The consolidated financial statements of the parent and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, income and expenses. Intragroup balances and intragroup transactions and resulting unrealised profits (losses) are eliminated in full. Consolidated financial statements are prepared using uniform accounting policies for the like transactions and other events in similar circumstances to the extent practicable and in case of difference, the same is disclosed.

1.17.02 Investments in subsidiaries are accounted for in accordance with Accounting Standard (AS) 13 – Accounting for Investments.

1.17.03 As all the subsidiary companies of the group are wholly owned, minority interests in the income of the group are not presented

1.18 ACCOUNTING FOR TAXES ON INCOME (AS – 22):

The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted or substantially enacted regulations. Deferred Tax Assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full fiscal year.

1.19 INTERIM FINANCIAL REPORTING (AS – 25):

The quarterly financial results are published in accordance with the requirements of listing agreements with stock exchanges.

1.20 INTANGIBLE ASSETS (AS – 26):

1.20.01 Internally generated intangible asset under development stage is recognized when it is demonstrated that it is technically feasible to use the same and the cost incurred for developing the same is ascertained. Technical Know-how so developed internally is amortised on a straight- line basis over its estimated useful life.

1.20.02 Intangible assets acquired by payment e.g., Trade marks, Goodwill and Technical Know-how are disclosed at cost less amortization on a straight-line basis over its estimated useful life.

1.21 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS (AS – 29):

1.21.01 Provisions are made for present obligations arising as a result of past events.

1.21.02 Contingent liabilities are not provided for but are disclosed by way of Notes on Accounts.

1.21.03 Contingent assets are neither accounted for nor disclosed by way of Notes on Accounts.

1.22 CENTRAL EXCISE DUTY:

Excise Duty liability accruing on manufacture is accounted for as and when the liability for payment arises under the Central Excise Act, 1944. Duty on finished goods lying at stock at factory at the close of the year has not been provided for in the accounts and hence not included in the valuation of inventory of such goods. However the said liability if accounted would have no impact on the financial results for the accounting period.

1.23 CONSUMPTION OF RAW MATERIALS, STORES & SPARE PARTS ETC. :

Raw Materials, Stores and spare parts etc., consumed are exclusive of (a) Excise Duty on inputs under Cenvat Scheme, (b) Service tax input credits, (c) Insurance Claims received (d) Entry Tax under Rajasthan Local Sales Tax Act and (f) VAT Input Credit under State laws, wherever applicable.

Significant Accounting Policies

1.24 SERVICE TAX & CESS:

Various expenses are accounted for after deducting the input tax credit available in respect of Service Tax, Education Cess and Secondary & Higher Education Cess.

1.25 TAXATION:

1.25.01 Tax expenses comprise of income tax, corporate dividend tax, deferred tax including applicable surcharge and cess.

1.25.02 Income tax are computed using the tax effect accounting method, where taxes are accrued in the same period the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

1.25.03 MAT (Minimum Alternate Tax) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

1.25.04 Provision for deferred tax or credit for release thereof is accounted for as ascertained in accordance with principles stated in para 1.18 hereinabove.

1.25.05 Tax on distributed profits payable in accordance with the provisions of section 115O of the Income Tax Act, 1961 is in accordance with the Guidance Note on "Accounting for Corporate Dividend Tax" regarded as a tax on distribution of profits and is not considered in determination of profits for the period.

Notes on Financial Statements for the year ended 31st March, 2013

1. SHARE CAPITAL

(₹ in Lacs)

	As at 31st March, 2013		As at 31st March, 2012	
	Number	₹ in lacs	Number	₹ in lacs
1.1 Authorised				
Equity Shares of ₹ 5 each	32000000	1600.00	32000000	1600.00
Cumulative Redeemable Preference Shares of ₹10 each	5000000	500.00	5000000	500.00
	37000000	**2100.00**	**37000000**	**2100.00**
1.2 Issued, Subscribed and Fully Paid up				
Equity Shares of ₹ 5 each	24136374	1206.82	24136374	1206.82
1.3 The reconciliation of the number of shares outstanding				
Equity Shares at the beginning of the year	24136374	1206.82	24136374	1206.82
Add : Allotted during the year	–	–	–	–
Total	**24136374**	**1206.82**	**24136374**	**1206.82**
1.4 Name of the Shareholders holding more than 5% Shares	Number	%	Number	%
EQUITY SHARES				
S.M. Management Pvt Ltd	3543462	14.68%	3543462	14.68%
Ashish Dhawan	2869488	11.89%	2429545	10.07%
Greenply Leasing & Finance Ltd	2714731	11.25%	2714731	11.25%
Prime Holdings Pvt Ltd	2408560	9.98%	2408560	9.98%
HDFC Trustee Company Ltd	1390629	5.76%	–	–
Jai-Vijay Resources Pvt Ltd	558408	2.31%	1294245	5.36%
Shiv Prakash Mittal, Saurabh Mittal & Shobhan Mittal on behalf of Trade Combines, partnership firm	2110476	8.74%	2110476	8.74%

Notes on Financial Statements for the year ended 31st March, 2013

2. RESERVES & SURPLUS

(₹ in Lacs)

	As at 31st March, 2013		As at 31st March, 2012	
Capital Reserve				
As per last Balance Sheet	50.00		20.00	
Add: Capital Subsidy Received under "Central Capital Investment Subsidy Scheme, 2003"	30.00		30.00	
		80.00		50.00
Capital Redemption Reserve				
As per last Balance Sheet		500.00		500.00
Securities Premium Account				
As per last Balance Sheet	11625.92		11597.64	
Add: Received during the year	–		28.28	
		11625.92		11625.92
Revaluation Reserve				
As per last Balance Sheet	32.92		33.68	
Less: Transfer to Statement of Profit & Loss				
a. On account of difference between depreciation on revalued cost of assets and it's original cost	0.76		0.76	
b. On account of difference on loss on asset discarded between revalued written down value & it's original written down value	32.16		–	
		–		32.92
General Reserve				
As per last Balance Sheet	5178.58		4478.58	
Add: Transferred from Statement of Profit and Loss	1400.00		700.00	
		6578.58		5178.58
Surplus				
As per last Balance Sheet	18552.72		14472.79	
Add : Net profit for the current year	11416.16		5340.97	
Less : Transferred to General Reserve	1400.00		700.00	
Less : Proposed Dividend on Equity Shares	724.09		482.73	
[Dividend Per Share ₹ 3 (Previous year ₹ 2)]				
Less : Tax on Distribution of Dividend	123.06		78.31	
		27721.73		18552.72
Total		**46506.23**		**35940.14**

3. LONG-TERM BORROWINGS

(₹ in Lacs)

	As at 31st March, 2013		As at 31st March, 2012	
Secured				
Term Loans				
From Banks				
Foreign Currency Loans	10125.00		10019.10	
Rupee Loans	11987.57		15113.03	
		22112.57		25132.13
From Others				
Rupee Loans		588.23		1176.70
Deferred Payment Liabilities		109.81		116.54
		22810.61		26425.37
Unsecured				
Deferred Payment Liabilities		723.75		260.68
Total		**23534.36**		**26686.05**

Notes on Financial Statements for the year ended 31st March, 2013

3. LONG-TERM BORROWINGS *(contd...)*

3.1 Term Loan from Landesbank Baden-Wurttenberg is secured by first priority security charge on Main Press Line of MDF plant.

3.2 All other Term Loans are secured by first mortgage and charge on the immovable and movable properties of the company other than immovable properties at Tizit, Nagaland and Main Press line of MDF plant, ranking on pari passu basis, save and except current assets, both present and future and second charge over the current assets.

3.3 Deferred payment liabilities are in respect of finance of vehicles and are secured by hypothecation of the respective vehicles.

3.4 Terms of Repayment and Rate of Interest of Term Loans

(₹ in Lacs)

	Rate of Interest	Repayment Schedule			
		2014-15	2015-16	2016-17	2017-18
Term Loans from Banks	2.10%	1363.09	1363.09	1363.09	1363.09
	3.69%	716.50	716.50	716.50	749.05
	9.25%	1774.08	–	–	–
	11.25%	1250.00	937.50	–	–
	12.00%	300.00	412.50	262.50	–
	12.20%	1960.00	1796.67	–	–
	12.25%	684.00	684.00	171.00	–
	12.45%	860.00	1065.00	–	–
	12.50%	750.00	187.50	–	–
	12.80%	666.91	–	–	–
Term Loans from Others	11.80%	588.23	–	–	–

4. DEFERRED TAX LIABILITIES (NET) :

(₹ in Lacs)

	As at 31st March, 2013		As at 31st March, 2012	
DEFERRED TAX LIABILITIES :				
Depreciation		4993.65		4082.20
LESS : DEFERRED TAX ASSETS :				
Provision for Gratuity/Liabilities	791.14		575.88	
Deviation in value of Closing Stock U/S 145A	169.06		150.81	
		960.20		726.69
Total		4033.45		3355.51

5. OTHER LONG TERM LIABILITIES

(₹ in Lacs)

	As at 31st March, 2013		As at 31st March, 2012	
Others				
Security Deposits from Customers		841.35		743.54

6. LONG TERM PROVISIONS

(₹ in Lacs)

	As at 31st March, 2013		As at 31st March, 2012	
Provisions for Employee Benefits (unfunded)				
For Gratuity		974.40		754.75
For Leave Encashment		692.66		478.88
Total		1667.06		1233.63

Notes on Financial Statements for the year ended 31st March, 2013

7. SHORT TERM BORROWINGS

(₹ in Lacs)

	As at 31st March, 2013		As at 31st March, 2012	
Secured				
Working Capital Loans				
from Banks				
Foreign Currency Loans	271.40		961.56	
Rupee Loans	11261.09		6499.00	
from Others				
Foreign Currency Loans	542.80		–	
Rupee Loans	570.00		670.00	
		12645.29		8130.56
Unsecured				
Other Loans and advances				
from Banks				
Foreign Currency Loan - Buyers' Credit	15620.38		19305.87	
Rupee Loans	1500.00		1000.00	
from Others				
Rupee Loans	–		4964.97	
		17120.38		25270.84
Total		**29765.67**		**33401.40**

7.1 All Working Capital Loans are secured by first charge by way of hypothecation of current assets and second charge over movable and immovable properties of the Company except immovable properties at Tizit, Nagaland and Main Press line of MDF Plant, on pari-passu basis.

8. OTHER CURRENT LIABILITIES

(₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
Current maturities of Long Term Borrowings*	10392.59	8044.63
Current maturities of Deferred Payment Liabilities*	486.64	309.30
Interest Accrued but not due on borrowings	344.61	584.41
Advance from Customers	1008.87	860.99
Unpaid Dividend	6.28	9.21
Statutory Dues	2430.64	1749.80
Total	**14669.63**	**11558.34**

* The terms are stated in notes nos. 3.1 to 3.3

8.1 Amount due and outstanding to be credited to the Investor Education and Protection Fund Nil (Previous Year Nil)

9. SHORT TERM PROVISIONS

(₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
Provision for employee benefits		
Gratuity	71.96	37.05
Leave Salary	109.34	105.48
Proposed Dividend		
Equity Shares	724.09	482.73
Tax on Distribution of dividend	123.06	78.31
Total	**1028.45**	**703.57**

Notes on Financial Statements for the year ended 31st March, 2013

10. FIXED ASSETS

(₹ in Lacs)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01/04/2012	Addition during the period	Deduction during the period	Total as at 31/03/2013	Upto 31/03/2012	For the period	Adjustment for Deductions	Total as at 31/03/2013	As at 31/03/2013	As at 31/03/2012
OWN ASSETS										
Tangible Assets										
Freehold Land	1585.66	1745.68	–	3331.34	–	–	–	–	3331.34	1585.66
Leasehold Land	765.02	–	–	765.02	53.12	7.91	–	61.03	703.99	711.90
Land Development	1385.69	49.13	–	1434.82	38.05	10.33	–	48.38	1386.44	1347.64
Buildings	13683.69	896.46	123.35	14456.80	1435.92	393.67	28.32	1801.27	12655.53	12247.77
Plant & Equipments	55253.44	3258.59	347.83	58164.20	13014.50	4017.89	229.76	16802.63	41361.57	42238.94
Furniture & Fixtures	1139.72	332.61	10.96	1461.37	291.50	77.39	4.58	364.31	1097.06	848.22
Vehicles	2005.21	1445.91	241.04	3210.08	432.43	229.18	109.13	552.48	2657.60	1572.78
Heavy Vehicles	163.81	5.72	–	169.53	76.23	14.63	–	90.86	78.67	87.58
Office Equipments	1653.52	365.67	134.56	1884.63	729.96	195.44	114.25	811.15	1073.48	923.56
Sub Total	**77635.76**	**8099.77**	**857.74**	**84877.79**	**16071.71**	**4946.44**	**486.04**	**20532.11**	**64345.68**	**61564.05**
Intangible Assets										
Computer Software	551.28	416.62	–	967.90	276.20	140.17	–	416.37	551.53	275.08
Technical Know-how	–	304.23	–	304.23	–	38.03	–	38.03	266.20	–
Trademarks	68.58	–	–	68.58	46.30	6.86	–	53.16	15.43	22.28
Goodwill	340.00	–	–	340.00	272.00	68.00	–	340.00	–	68.00
Sub Total	**959.86**	**720.85**	**–**	**1680.71**	**594.50**	**253.06**	**–**	**847.56**	**833.16**	**365.36**
Capital Work in Progress	1115.25	2251.87	1030.04	2337.08	–	–	–	–	2337.08	1115.25
Intangible Assets under Development	234.93	–	234.93	–	–	–	–	–	–	234.93
Total	**79945.80**	**11072.49**	**2122.71**	**88895.58**	**16666.21**	**5199.50**	**486.04**	**21379.67**	**67515.92**	**63279.59**
Previous Year's Total	73833.70	7966.61	1854.51	79945.80	12386.18	4677.89	397.86	16666.21	63279.59	–

10.1 Addition to Plant & Equipments includes ₹ 440.40 lacs (Previous year ₹ 872.16 lacs) on account of loss due to fluctuation in Foreign Exchange Rates.

10.2 Some of the fixed assets of Plywood division were revalued on 31st March, 1994 on the basis of the report of an Approved Valuer and the resultant increase in book value was ₹ 293.52 lacs.

11. INVESTMENTS

(₹ in Lacs)

		As at 31st March, 2013		As at 31st March, 2012	
		Number	₹ in lacs	Number	₹ in lacs
Investments in Equity Instruments (at Cost)					
Trade					
Unquoted, Fully Paid up					
Wholly Owned Subsidiaries					
Greenlam Asia Pacific Pte Ltd	- Equity Shares of S$ 1 each	2430642	1003.31	430642	125.31
Greenlam America Inc.	- Equity Shares of US$ 1 each	1600000	740.23	1600000	740.23
Greenlam Europe (UK) Ltd.	- Equity Shares of GBP 1 each	1	0.00	–	–
			1743.54		865.54
Quoted, Fully Paid up					
Other than Trade					
Himalaya Granites Ltd	- Equity Shares of ₹ 10 each	380583	8.14	380583	8.14
Indian Overseas Bank Ltd	- Equity Shares of ₹ 10 each	3400	0.82	3400	0.82
Total			**1752.50**		**874.50**
Aggregate amount of Quoted Investments			8.96		8.96
Aggregate amount of Unquoted Investments			1743.54		865.54
			1752.50		874.50
Aggregate Market Value of Quoted Investments			130.47		80.65

12. LONG TERM LOANS & ADVANCES

(₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
Unsecured, Considered good		
Capital Advances	3503.98	685.48
Security Deposits	834.53	693.52
Total	**4338.51**	**1379.00**

Notes on Financial Statements for the year ended 31st March, 2013

13. OTHER NON-CURRENT ASSETS

(₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
Unamortised Share Issue Expenses	0.58	26.19

14. INVENTORIES

(₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
Raw Materials (at cost)	20714.90	17356.11
[including at Customs Warehouse ₹ 3090.91 lacs (Previous year ₹ 1924.03 lacs) and at Port ₹ 349.97 lacs (Previous year ₹ 98.99 lacs)]		
Stock in Process (at cost)	2406.70	1686.08
Finished Goods (lower of cost or net realisable value)	7810.32	6819.75
[including in Transit ₹ 524.59 lacs (Previous year ₹ 700.46 lacs) and at Port ₹ 21.83 lacs (Previous year ₹ 17.99 lacs)]		
Stock In Trade (lower of cost or net realisable value)	218.42	536.33
[including in Transit ₹ 33.81 lacs (Previous year ₹ 10.50 lacs)]		
Certified Emission Reductions (CER)	8.68	4.50
(lower of cost or net realisable value)		
Stores & Spares (at cost)	1632.37	1326.38
Total	**32791.39**	**27729.15**
	Numbers	Numbers
14.1 CERs held in inventory	59864	15111
CER under Certification (Since certified)	–	30014

15. TRADE RECEIVABLES

(₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
15.1 Outstanding for a period exceeding six months from due date	693.54	497.55
Other debts	33627.16	28589.46
Total	**34320.70**	**29087.01**
15.2 Secured, considered good	116.00	258.76
Unsecured, considered good	34204.70	28828.25
Total	**34320.70**	**29087.01**

16. CASH & BANK BALANCES

(₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
16.1 Cash & Cash Equivalents		
Balances with Banks	898.34	546.38
Balances with Banks - unpaid dividend	6.28	9.22
Cash on Hand	60.66	74.32
	965.28	629.92
16.2 Other Bank Balances		
Term Deposits with Banks		
(Receipts pledged with banks & others as security deposits)		
Maturity within 12 months	333.83	567.78
Maturity over 12 months	178.36	18.58
Term Deposits with Banks (Others)		
Maturity within 12 months	150.35	–
	662.54	586.36
Total	**1627.82**	**1216.28**

Notes on Financial Statements for the year ended 31st March, 2013

17. SHORT TERM LOANS & ADVANCES

(₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
Unsecured, considered good		
Advance to Staff & Workers	279.57	218.02
Advance against Purchases	1401.69	1057.14
Other receivables	3861.01	2360.49
Service Tax Input Credit Receivable	534.88	289.16
Balance with Central Excise Authorities	750.97	422.17
Advance Payment of Income Tax (Less Provision)	438.94	516.83
MAT Credit Entitlement	2619.68	2635.26
Advance Payment of Sales Tax (including unavailed VAT input credit)	325.50	246.80
Total	10212.24	7745.87

18. OTHER CURRENT ASSETS

(₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
Unamortised Share Issue Expenses	25.62	25.62

19. REVENUE FROM OPERATIONS

(₹ in Lacs)

	For the year ended 31st March, 2013		For the year ended 31st March, 2012	
Sale of Products	207513.91		171314.72	
Less : Central Excise Duty	7744.66		7087.11	
Net Sales		199769.25		164227.61
Other Operating Revenue				
Insurance Claim Received	258.97		89.74	
Liabilities no longer required written back	44.68		27.00	
Miscellaneous Income	8.55		21.47	
		312.20		138.21
Total		200081.45		164365.82

19.1 The Central Excise Duty debited to Profit and Loss Account is net of refund received ₹ 1751.68 lacs (Previous year ₹ 489.74 lacs) including ₹ 889.07 lacs (Previous year ₹ Nil) for earlier years. This refund is on account of exemption equivalent to the excise duty payable on value addition carried out by the Tizit unit and additional sums as per an interim order of the Hon'ble Guwahati High Court.

19.2 Company's both the units at Rudrapur (Uttarakhand) and its unit at Nalagarh (Himachal Pradesh) are exempt from levy of Central Excise Duty.

19.3 Central Excise Duty includes ₹ 89.11 lacs (Previous year ₹ 117.74 lacs) paid on account of differential excise duty for earlier years.

19.4 Particulars of Sale of Products

(₹ in Lacs)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Decorative Laminates	60937.90	49949.59
[including exports ₹ 22739.26 lacs (Previous year ₹ 16267.48 lacs), export incentives ₹ 2822.85 lacs (Previous year ₹ 1990.57 lacs) and inter transfer ₹ 523.31 lacs (Previous year ₹ 460.27 lacs)]		
Plywood & Allied Products	107487.22	95341.79
[including exports ₹ 158.49 lacs (Previous year ₹ 84.05 lacs), export incentives ₹ Nil (Previous year ₹ 2.83 lacs) and inter transfers ₹ 2795.09 lacs (Previous year ₹ 2871.90 lacs)]		
Medium Density Fibre Board	37423.04	24371.59
[including inter transfer ₹ 427.48 lacs (Previous year ₹ 58.36 lacs)]		
Others	1665.75	1651.75
[including exports ₹ 1.96 lacs (Previous year ₹ 33.97 lacs), inter transfers ₹ 418.92 lacs (Previous year ₹ 500.56 lacs)]		
	207513.91	171314.72

19.5 Manufactured goods consumed for own use is accounted for at selling price.

Notes on Financial Statements for the year ended 31st March, 2013

20. OTHER INCOME

(₹ in Lacs)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Interest Subsidy Received	22.82	32.45
Interest Received	487.87	558.11
Assignment of Keyman Insurance Policies	128.70	–
Prior Period Income	10.35	–
Dividend	0.15	0.17
Total	**649.89**	**590.73**

21. COST OF MATERIALS CONSUMED

(₹ in Lacs)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Paper	21940.95	18701.33
Timber	37373.65	28479.65
Veneer	15386.46	14897.70
Chemicals	29139.58	23722.67
Plywood / Particle Board / MDF	7421.00	6298.20
Others	219.98	266.82
Total	**111481.62**	**92366.37**
Imported	46277.76	31522.61
Indigenous	65203.86	60843.76
Total	**111481.62**	**92366.37**

21.1 Cost of Materials Consumed includes cost of materials sold ₹ 1046.72 lacs (Previous year ₹ 1080.33 lacs).

22. PURCHASE OF FINISHED/TRADED GOODS

(₹ in Lacs)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Plywood	8350.54	8567.92
Decorative Laminates	289.23	490.31
[including inter transfer ₹ 7.77 lacs (Previous year ₹ 23.13 lacs)]		
Medium Density Fibre Board	19.10	–
Total	**8658.87**	**9058.23**

23. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS AND STOCK IN TRADE

(₹ in Lacs)

	For the year ended 31st March, 2013		For the year ended 31st March, 2012	
OPENING STOCK				
Finished Goods	6819.75		5467.62	
Stock in Trade	536.33		162.99	
Certified Emission Reductions (CER)	4.50		–	
Goods-in-Process	1686.08	9046.66	1346.28	6976.89
CLOSING STOCK				
Finished Goods	7810.32		6819.75	
Stock in Trade	218.42		536.33	
Certified Emission Reductions (CER)	8.68		4.50	
Goods-in-Process	2406.70	10444.12	1686.08	9046.66
Total		**(1397.46)**		**(2069.77)**

24. EMPLOYEES BENEFITS EXPENSE

(₹ in Lacs)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Salary, Wages & Bonus	14880.80	11960.30
Contribution to Provident Fund & Employees' State Insurance	812.37	678.66
Employees' Welfare Expenses	474.55	362.28
Total	**16167.72**	**13001.24**

Notes on Financial Statements for the year ended 31st March, 2013

24. EMPLOYEES BENEFITS EXPENSE *(contd...)*

24.1 Disclosures Regarding Employee Benefits

Defined Contribution Plan: Employee benefits in the form of Provident Fund and ESIC are considered as defined contribution plan and the contributions to Employees' Provident Fund Organisation established under The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and Employees' State Insurance Act, 1948, respectively, are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due.

Defined Benefit Plan: Retirement benefits in the form of Gratuity are considered as defined benefit obligations and are provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. As the Company has not funded its liability, it has nothing to disclose regarding plan assets and its reconciliation. Defined Benefit Obligation at the year end amounted to ₹ 1046.36 lacs (previous year ₹ 791.80 lacs).

Actuarial assumptions:

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Mortality Table	IALM 2006-2008	LIC 1994-1996
Discount Rate (per annum)	8	8
Expected rate of return on plan assets (per annum)	–	–
Rate of escalation in salary (per annum)	5	5

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

The above information is certified by the actuary.

Para 132 of Accounting Standard 15 (revised 2005) does not require any specific disclosures except where expense resulting from compensated absence is of such size, nature or incidence that its disclosure is relevant under Accounting Standard 5 or Accounting Standard 18. In the opinion of the management the expense resulting from compensated absence is not significant and hence no disclosures are prepared under various paragraphs of AS 15 (revised 2005).

25. FINANCE COSTS

(₹ in Lacs)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Interest Expense	5919.27	5978.95
Other Borrowing Cost	152.91	99.26
Total	**6072.18**	**6078.21**

26. DEPRECIATION & AMORTIZATION EXPENSE

(₹ in Lacs)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Depreciation & Amortization Expense	5199.50	4677.89
Less : Transfer from Revaluation Reserve	0.76	0.76
Total	**5198.74**	**4677.13**

27. OTHER EXPENSES

(₹ in Lacs)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Consumption of stores & spares	1348.13	1627.38
Power & Fuel	10016.13	10551.23
Rent	941.80	819.82
Repairs to buildings	106.78	117.68
Repairs to machinery	1241.02	850.24
Insurance	392.42	311.73
Rates and taxes	616.22	238.59
Travelling expenses	1886.55	1623.56
Freight & delivery expenses	8920.52	7293.49
Export Expenses	2338.83	1729.00
Advertisement & Sales promotion	6268.89	4479.88
Auditors Remuneration	26.93	23.41
Bank Charges	298.11	321.76
Loss on Sale / Discard of Assets	165.56	183.24
(After deducting ₹ 32.16 lacs transferred from revaluation reserve)		
Prior Period Expenses	24.81	13.74
Other General Expenses	4119.69	3352.67
Total	**38712.39**	**33537.42**
27.1 CONSUMPTION OF STORES & SPARES		
Imported	125.68	146.04
Indigenous	1222.45	1481.34
Total	**1348.13**	**1627.38**
27.2 AUDITORS' REMUNERATION		
Statutory Audit Fees	16.00	14.00
Tax Audit Fees	2.00	2.00
Certification Fees	4.82	1.51
Expenses (incurred & reimbursed)	4.11	5.90
Total	**26.93**	**23.41**

28. CONTINGENT LIABILITIES AND COMMITMENTS

28.1 Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) ₹ 1334.66 lacs (Previous year ₹ 463.45 lacs).

28.2 Contingent liabilities

a. Counter-Guarantees given to banks for bank guarantees' established ₹ 370.57 lacs (Previous year ₹ 420.13 lacs).

b. Counter-Guarantees given to banks for Stand-by Letter of Credit (SBLC) facility ₹ 1650 lacs (Previous Year ₹ Nil). Outstanding amount of Overdraft limit availed by Greenlam America Inc. and Greenlam Asia Pacific Pte. Ltd. against SBLC facility is USD 20,00,000 and USD 10,00,000 respectively equivalent to ₹ 1597.01 lacs (Previous year ₹ Nil) translated at year-end exchange rate.

c. Letter of credit established but material not received amounting to ₹ 5276.21 lacs (Previous year ₹ 483.54 lacs).

d. Guarantee/Letter of Assurance given to Banks for Bills discounting facilities (Channel Financing) – ₹ 5,000.00 lacs (Previous Year ₹ 5,000.00 lacs) and outstanding amount under this Bills Discounting facility – ₹ 4119.89 lacs (Previous year ₹ 2724.60 lacs)

e. Claims against the Company not acknowledged as debts – ₹ 72.91 lacs (Previous year – ₹ 47.13 lacs)

f. Disputed Demand of Statutory Dues in Appeal ₹ 881.31 lacs (Previous year ₹ 3271.60 lacs). Out of it ₹ NIL (Previous Year ₹ 2670.52 lacs) has been stayed for recovery by the relevant Authorities.

g. Amounts covered by Show cause notices received from Excise Authorities ₹ 8783.20 lacs (Previous Year ₹ 5842.62 lacs).

Notes on Financial Statements for the year ended 31st March, 2013

h. Amounts covered by Departmental appeals against orders in favour of the Company ₹ 11.06 lacs (Previous Year ₹ Nil).

i. Estimated liability of "Entry Tax" under "Himachal Pradesh Tax on Entry of Goods into Local Area Act, 2010" – ₹ Nil (Previous Year ₹ 88.83 lacs) (stayed by High Court of Himachal Pradesh)

j. Guarantee given to Banks in respect of loans to its wholly owned subsidiary US Dollar 10,000,000 (Previous Year US Dollar 10,000,000) and Singapore Dollar 14,00,000 (Previous Year Singapore Dollar 14,00,000) equivalent to ₹ 6040 lacs (Previous Year ₹ 5654.81 lacs), translated at year-end exchange rate.

k. In respect of capital goods imported at the concessional rate of duty under the Export Promotion Capital Goods Scheme, the Company has an export obligation of approximately ₹ 13985.32 lacs (previous year ₹ 18834.94 lacs), which is required to be met at different dates, before 10.04.2019 (previous year 30.12.2018). In the event of non-fulfillment of the export obligation, the Company will be liable to pay customs duties of approximately ₹ 1748.17 lacs (Previous Year ₹ 2354.37 lacs) together with interest, as applicable.

29. Balances under Trade receivables, Trade Payables, Loans and Advances payable or receivable are subject to confirmation to be received from some of the parties.

30. Segment Reporting (Under Accounting Standard AS - 17 issued by ICAI)

Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company. As part of Secondary reporting, revenues are attributed to geographical areas based on the location of the customers. The following table present the revenue, profit, assets and liabilities information relating to the business/geographical segment for the year ended 31st March, 2013.

Information about Business Segments - Primary (₹ in Lacs)

Reportable Segment	Plywood & Allied Products for the year ended		Laminate & Allied Products for the year ended		Medium Density Fibre Board & Allied Products for the year ended		Unallocated for the year ended		Total for the year ended	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012
REVENUE										
External Sales	95445.06	82741.28	70913.50	60369.00	36990.54	24313.34	–	–	203349.10	167423.62
Inter-segment Sales	2804.94	2950.96	932.39	881.78	427.48	58.36	–	–	4164.81	3891.10
Gross Sales	98250.00	85692.24	71845.89	61250.78	37418.02	24371.70	–	–	207513.91	171314.72
Less : Excise Duty	4232.95	4134.11	3511.71	2953.00	–	–	–	–	7744.66	7087.11
Net Sales	**94017.05**	**81558.13**	**68334.18**	**58297.78**	**37418.02**	**24371.70**	–	–	**199769.25**	**164227.61**
RESULT										
Segment Result	9643.05	6436.75	7207.59	4925.49	7048.85	2344.84	–	–	23899.49	13707.08
Unallocated Corporate Expenses							3176.61	1695.04	3176.61	1695.04
Operating Profit									20722.88	12012.04
Less : Interest Expense							6072.18	6078.21	6072.18	6078.21
Add : Interest Income							487.87	558.11	487.87	558.11
Profit before Tax									15138.57	6491.94
Current Tax									3044.46	265.10
Deferred Tax									677.95	885.87
Profit after Tax									**11416.16**	**5340.97**
OTHER INFORMATION										
Segment Assets	53656.64	45902.78	54487.73	47821.43	38024.65	32648.10	6390.06	4939.09	152559.08	131311.40
Segment Liabilities	14564.81	9991.60	13331.92	7414.04	6488.35	3743.33	2274.44	1270.40	36659.52	22419.36
Loan Fund							64179.26	68441.38	64179.26	68441.38
Deferred Tax Liabilities (Net)							4033.45	3355.51	4033.45	3355.51
Shareholders' Funds							47686.85	37095.15	47686.85	37095.15
Total Liabilities									**152559.08**	**131311.40**
Capital Expenditure	3406.13	2973.82	2174.40	1115.28	3743.57	2502.15	483.42	329.50	9807.52	6920.75
Depreciation	1392.82	1183.27	1867.83	1764.76	1594.93	1458.10	343.16	271.00	5198.74	4677.13
Non-cash expenses other than depreciation	46.57	88.48	9.90	55.78	9.31	13.63	188.78	14.27	254.56	172.16

Secondary Segment - Geographical by location of customers (₹ in Lacs)

	Revenue for the year ended		Carrying Amount of Segment Assets for the year ended		Additions to Fixed Assets for the year ended	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012
India	176869.55	147842.11	147260.41	123723.61	9807.52	6920.75
Other Asian Countries	11382.95	8681.00	3203.99	4880.41	–	–
Middle East Countries	4171.36	3009.04	551.63	557.86	–	–
Europe	3079.60	2133.14	1174.50	514.05	–	–
North America	3421.95	2184.27	80.36	1475.47	–	–
Australia	388.49	–	–	–	–	–
Africa	455.35	378.05	288.19	160.00	–	–
	199769.25	164227.61	152559.08	131311.40	9807.52	6920.75

Notes:

a) **Segment Assets and Liabilities :**

All Segment Assets and liabilities are directly attributable to the segment. Segment assets include all operating assets used by the segment and consist principally of fixed assets, inventories, sundry debtors, advances and operating cash and bank balances. Segment assets and liabilities do not include investments, inter-corporate deposits and advances, share capital, reserves and surplus, borrowings, provision for gratuity, proposed dividend and income tax (both current and deferred).

b) **Segment Revenue and Expenses :**

Segment revenue and expenses are directly attributable to the segment. It does not include dividend income, profit on sale of investments, interest expense (net), other expenses which cannot be allocated on a reasonable basis and provision for income tax (both current and deferred).

31. RELATED PARTY DISCLOSURES AS PER ACCOUNTING STANDARD AS - 18

31.1 List of related parties where control exists and related parties with whom transactions have taken place and relationships:

a) Wholly owned Subsidiary Companies

i) Greenlam Asia Pacific Pte. Ltd.

ii) Greenlam America, Inc.

iii) Greenlam Europe (UK) Ltd.

b) Parties where control exists

i) Himalaya Granites Ltd.

ii) Prime Holdings Pvt Ltd.

iii) S.M.Management Pvt Ltd.

iv) Prime Properties Pvt Ltd.

v) Trade Combines

c) Key Management Personnel

i) Mr. Shiv Prakash Mittal, Executive Chairman

ii) Mr. Rajesh Mittal, Managing Director

iii) Mr. Saurabh Mittal, Jt. Managing Director & CEO

iv) Mr. Shobhan Mittal, Executive Director

d) Relative of Directors:

i) Ms. Parul Mittal

ii) Ms. Chitwan Mittal

Notes on Financial Statements for the year ended 31st March, 2013

31.2 Transactions during the year: (₹ in Lacs)

Particulars	Subsidiaries	Control	Key Management Personnel	Relatives of Directors
Sale of Products	15170.99	–	–	–
	(10459.70)	(–)	(–)	(–)
Payment towards Services Received	–	126.72	–	38.79
	(–)	(126.72)	(–)	(34.84)
Assignment of Keyman Insurance Policies	–	–	128.70	–
	(–)	(–)	(–)	(–)
Finance (Equity Contribution)	878.00	–	–	–
	(–)	(–)	(–)	(–)
Managerial Remuneration	–	–	1105.05	–
	(–)	(–)	(595.49)	(–)
Guarantee Given	6040.00	–	–	–
	(5654.81)	(–)	(–)	(–)
Amount Outstanding as at Balance Sheet date				
Trade Receivable	3413.70	–	–	–
	(5940.05)	(–)	(–)	(–)
Trade Payable	–	–	–	14.35
	(–)	(–)	(–)	(–)

31.3 Details of material related party transactions [included in 31.2]
Disclosed as required by Clause 32 of the listing agreement (₹ in Lacs)

Particulars	Wholly Owned Subsidiaries		
	Greenlam Asia Pacific Pte. Ltd.	Greenlam America Inc	Greenlam Europe (UK) Ltd.
Sale of Products	11314.79	3609.41	246.79
	(8167.01)	(2292.70)	(–)
Finance (Equity Contribution)	878.00	–	–
	(–)	(–)	(–)
Guarantee Given	6040.00	–	–
	(5654.81)	(–)	(–)
Amount Outstanding as at Balance Sheet date			
Trade Receivable	3105.12	61.79	246.79
	(4495.96)	(1444.09)	(–)

31.4 Investments by the loanee in the shares of the parent Company and its subsidiary companies, when the Company has made a loan or advance in the nature of loan ₹ NIL (Previous Year ₹ NIL)

Notes :

1. Related Party Relationship is as identified by the Company and relied upon by the Auditors.
2. Figures for the previous year have been given in brackets.

32. LEASES

The company has taken certain vehicles under non-cancelable operating lease arrangements. The future minimum lease payments in respect of such non-cancelable leases as at 31st March, 2013 are summarized below: (₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
Amount due within one year	54.93	13.66
Amount due between one year and five years	167.34	23.25
Amount due above five years	–	–
	222.27	**36.91**

Notes on Financial Statements for the year ended 31st March, 2013

33. EARNINGS PER SHARE

		For the year ended 31st March, 2013	For the year ended 31st March, 2012
Calculation of weighted average number of equity shares of ₹ 5 each			
No of Shares at the beginning of the year		24136374	24136374
Total no. of equity shares outstanding at the end of the year		24136374	24136374
Equity shares outstanding for 365/(366) days		24136374	24136374
Weighted average number of equity shares outstanding during the year		24136374	24136374
Net Profit (after tax, available for equity shareholders)	₹ in Lacs	11416.16	5340.97
BASIC EARNINGS PER SHARE	₹	47.30	22.13
No of Shares & Warrants at the beginning of the year		24136374	24136374
Total no. of equity shares and Warrants outstanding at the end of the year		24136374	24136374
Equity shares outstanding for 365/(366) days		24136374	24136374
Weighted average number of equity shares outstanding during the year		24136374	24136374
Net Profit (after tax, available for equity shareholders)	₹ in Lacs	11416.16	5340.97
DILUTED EARNINGS PER SHARE	₹	47.30	22.13

34. VALUE OF IMPORTS ON C.I.F. BASIS

(₹ in Lacs)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Raw Materials	37873.65	34954.48
Stock in Trade	3115.64	2344.58
Stores & Spare Parts	380.84	285.67
Capital Goods	1579.63	259.23
	42949.76	**37843.96**

35. EXPENDITURE IN FOREIGN CURRENCY

(₹ in Lacs)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Capital Expenditure	69.30	86.35
Revenue Expenditure	1835.84	1799.95
	1905.14	**1886.30**

36. EARNINGS IN FOREIGN CURRENCY

(₹ in Lacs)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
FOB Value of Exports	22440.83	16950.31

37. INFORMATION REGARDING MICRO, SMALL AND MEDIUM ENTERPRISES

As at 31st March, 2013, no supplier has intimated the Company about its status as Micro or Small enterprises or its registration with the appropriate authority under Micro, Small and Medium Enterprises Act, 2006. So, no disclosure is made. The Company has compiled this information based on the current information in its possession.

38. ACCOUNTS OF SUBSIDIARY COMPANIES

The accounts of the subsidiary companies are not attached herewith as the Board of Directors of the Company resolved to avail the general exemption granted by the Ministry of Corporate Affairs, Government of India vide its Circular no.2 / 2011 dated 8th February, 2011.

As per our annexed report of even date.

For **D. DHANDARIA & COMPANY**
Chartered Accountants
ICAI Firm Reg. No. **306147E**

(Dindayal Dhandaria)
Partner
Membership No. **10928**

Place : Kolkata
Dated : 29th May 2013

S P Mittal
Executive Chairman

Rajesh Mittal
Managing Director

K K Agarwal
Company Secretary

Susil Kumar Pal
Director

Independent Auditors' Report

To
The Board of Directors of
Greenply Industries Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of M/s. **GREENPLY INDUSTRIES LIMITED** ("the Company"), and its wholly owned subsidiaries, (collectively called "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2013, and the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

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

a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;

b) in the case of Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and

c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matters

We did not audit the consolidated financial statements of a wholly owned subsidiary company, whose financial statements reflect total assets of ₹ 8008.15 lacs as at 31st March, 2013, total revenue of ₹ 15213.01 lacs and cash outflows amounting to ₹ 18.05 lacs for the year then ended in which the share of profit of the Group is ₹ 182.28 lacs. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors.

We did not audit the financial statements of a wholly owned subsidiary Company, whose financial statements reflect total assets of ₹ 239.65 lacs as on 31st March, 2013, total revenue of ₹ NIL and cash inflows amounting to ₹ 68.23 lacs for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors.

We have relied on the unaudited financial statements of another wholly owned subsidiary company whose financial statements reflect total assets of ₹ 1106.82 lacs as at 31st March, 2013, total revenue of ₹ 4639.12 lacs and cash inflows amounting to ₹ 7.52 lacs for the year then ended. These unaudited financial statements as approved by the Board of Directors of the said subsidiary Company have been furnished to us by the Company's management and our report in so far as it relates to the amounts included in respect of the said subsidiary company is based solely on such approved unaudited financial statements.

We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard AS-21 on Consolidated Financial Statements as notified by the Companies (Accounting Standards) Rules, 2006.

For **D. DHANDARIA & COMPANY**
Chartered Accountants
ICAI Firm Reg. No. **306147E**

(Dindayal Dhandaria)
Partner
Membership No. **10928**

Place: Kolkata
Dated: 29th May, 2013

Consolidated Balance Sheet as at 31st March, 2013

(₹ in Lacs)

	Note No.	As at 31st March, 2013		As at 31st March, 2012	
EQUITY AND LIABILITIES:					
Shareholders' Funds :					
Share Capital	1	1206.82		1206.82	
Reserves & Surplus	2	46193.18		35077.08	
			47400.00		36283.90
Minority Interest			3.92		0.65
Non-current Liabilities :					
Long-Term Borrowings	3	23741.50		27018.37	
Deferred Tax Liabilities (Net)	4	4071.12		3366.73	
Other Long Term Liabilities	5	882.08		743.54	
Long-Term Provisions	6	1667.06		1233.63	
			30361.76		32362.27
Current Liabilities					
Short-Term Borrowings	7	33816.25		34174.66	
Trade Payables		29736.15		16920.98	
Other Current Liabilities	8	14830.62		12614.53	
Short-Term Provisions	9	1043.15		713.12	
			79426.17		64423.29
Total			**157191.85**		**133070.11**
ASSETS :					
Non-current Assets					
Fixed Assets :	10				
Tangible Assets		65612.09		62770.50	
Intangible Assets		895.70		415.42	
Capital Work-in-Progress		2337.08		1115.25	
Intangible Assets under Development		–		234.93	
		68844.87		64536.10	
Investments	11	8.96		8.96	
Long Term Loans & Advances	12	4416.26		1408.93	
Other Non-current Assets	13	408.35		275.80	
			73678.44		66229.79
Current Assets					
Inventories	14	35779.70		29618.12	
Trade Receivables	15	34565.91		27025.08	
Cash & Bank Balances	16	1835.77		1575.95	
Short Term Loans & Advances	17	11306.41		8595.55	
Other Current Assets	18	25.62		25.62	
			83513.41		66840.32
Total			**157191.85**		**133070.11**
Significant Accounting Policies					
Notes on Financial Statements	1 to 39				

As per our annexed report of even date.

For **D. DHANDARIA & COMPANY**
Chartered Accountants
ICAI Firm Reg. No. **306147E**

S P Mittal
Executive Chairman

Rajesh Mittal
Managing Director

(Dindayal Dhandaria)
Partner
Membership No. **10928**

K K Agarwal
Company Secretary

Susil Kumar Pal
Director

Place : Kolkata
Dated : 29th May 2013

Consolidated Statement of Profit and Loss for the year ended 31st March, 2013

(₹ in Lacs)

	Note No.	For the year ended 31st March, 2013		For the year ended 31st March, 2012	
INCOME :					
Sale of Products			212150.95		177729.57
Other Operating Revenue			384.56		168.77
			212535.51		177898.34
Less : Central Excise Duty			7744.66		7087.11
Revenue from Operations	19		204790.85		170811.23
Other Income	20		650.73		590.90
Total Revenue			**205441.58**		**171402.13**
EXPENDITURE :					
Cost of Materials Consumed	21		111481.62		92366.37
Purchase of finished/traded goods	22		9556.87		12043.40
Changes in Inventories of Finished Goods, Stock in Process and Stock in Trade	23		(2496.80)		(2281.29)
Payments & Other Benefits to Employees	24		18185.24		14539.08
Finance Costs	25		6191.91		6127.31
Depreciation & Amortization	26		5361.55		4829.55
Other Expenses	27		40715.85		35157.15
Loss/(Gain) due to Fluctuation in Foreign Exchange Rates			699.34		1775.44
Total Expenditure			**189695.58**		**164557.01**
Profit before Tax			**15746.00**		**6845.12**
Tax Expense					
Current Tax		3058.77		1315.56	
Add/ (Less) : Mat Credit Entitlement		15.58		(1033.79)	
		3074.35		281.77	
Deferred Tax		703.61		892.54	
			3777.96		1174.31
			11968.04		5670.81
Impairment Loss recognised on goodwill			–		0.31
Minority Interest			1.87		(0.14)
Profit for the Year			**11966.17**		**5670.64**
Earnings per Equity Share of face value of ₹ 5 each	35				
Basic (in ₹)			49.58		23.49
Diluted (in ₹)			49.58		23.49
Significant Accounting Policies					
Notes on Financial Statements	1 to 39				

As per our annexed report of even date.

For **D. DHANDARIA & COMPANY**
Chartered Accountants
ICAI Firm Reg. No. **306147E**

S P Mittal
Executive Chairman

Rajesh Mittal
Managing Director

(Dindayal Dhandaria)
Partner
Membership No. **10928**

K K Agarwal
Company Secretary

Susil Kumar Pal
Director

Place : Kolkata
Dated : 29th May 2013

Consolidated Cash Flow Statement for the year ended 31st March, 2013

(₹ in Lacs)

	For the year ended 31st March, 2013		For the year ended 31st March, 2012	
A. CASH FLOW ARISING FROM OPERATING ACTIVITIES:				
Net Profit before Tax and Extraordinary items		15746.00		6845.12
Add: a) Depreciation	5361.55		4829.55	
b) Finance Costs	6191.91		6127.31	
c) Loss on Sale / Discard of Fixed Assets	167.74		201.50	
d) Gratuity	309.48		201.68	
e) Share Issue Expenses written off	25.62		25.62	
f) Impairment of Goodwill	–		0.31	
g) Effect of Exchange Rate Changes	(255.73)		(255.35)	
		11800.57		11130.62
		27546.57		17975.74
Less: a) Interest Income	488.71		558.28	
b) Insurance Claim Received	258.97		89.74	
c) Dividend Received	0.15		0.17	
		747.83		648.19
Operating Profit before Working Capital Changes		26798.74		17327.55
Less: a) Increase in Trade and Other Receivables	13219.26		7423.67	
b) Increase in Inventories	6161.58		5012.42	
c) Decrease in Trade Payables	(13997.02)	5383.82	(792.21)	11643.88
Cash Inflow (+)/Outflow (-) from Operations		21414.92		5683.67
Add/Less: a) Income Tax Paid/refund received (-)	2980.88		1293.56	
b) Gratuity Paid	54.92	3035.80	29.52	1323.08
Net Cash Inflow (+)/Outflow (-) in course of Operating Activities		**18379.12**		**4360.59**
B. CASH FLOW ARISING FROM INVESTING ACTIVITIES:				
OUTFLOW				
a) Acquisition of Fixed Assets	9563.83		6669.82	
b) Investment	–		–	
		9563.83		6669.82
Less : INFLOW				
a) Sale of Fixed Assets	185.41		251.24	
b) Interest Received	488.71		558.28	
c) Dividend Received	0.15		0.17	
d) Receipt of Capital Subsidy	30.00		30.00	
e) Insurance Claim Received	258.97	963.24	89.74	929.43
Net Cash Inflow (+) / Outflow (-) in course of Investing Activities		**(8600.59)**		**(5740.39)**
C. CASH FLOW ARISING FROM FINANCING ACTIVITIES:				
INFLOW				
a) Proceeds from issue of Share Capital	–		28.28	
b) Long Term Borrowings	6456.80		5500.00	
c) Short Term Borrowings (Net)	(358.41)		10132.95	
d) Deferred Payment Liabilities (Net)	614.64		235.82	
		6713.03		15897.05
DEDUCT : OUTFLOW				
a) Long Term Borrowings	9105.76		8697.41	
b) Interest Paid	6431.71		5749.48	
c) Dividend & Corporate Dividend Tax Paid	561.04		280.52	
		16098.51		14727.41
Net Cash Inflow in course of Financing Activities		**(9385.48)**		**1169.64**
Net Increase (+) / Decrease in Cash/Cash Equivalents (A+B+C)		393.05		(210.16)
Add : Balance at the beginning of the year		725.63		935.79
Cash / Cash Equivalents at the close of the Year		**1118.68**		**725.63**

As per our annexed report of even date.

For **D. DHANDARIA & COMPANY**
Chartered Accountants
ICAI Firm Reg. No. **306147E**

S P Mittal
Executive Chairman

Rajesh Mittal
Managing Director

(Dindayal Dhandaria)
Partner
Membership No. **10928**

K K Agarwal
Company Secretary

Susil Kumar Pal
Director

Place : Kolkata
Dated : 29th May 2013

Significant Accounting Policies and Notes Forming Part of Consolidated Financial Statements

1.00 SIGNIFICANT ACCOUNTING POLICIES:

1.01 DISCLOSURE OF ACCOUNTING POLICIES (AS-1):

1. 01.01 Nature of Operation

Company is an interior infrastructure company engaged in the business of manufacturing plywood and allied products, laminates, particle boards, medium density fibre boards, etc. through its factories at various locations and branches & dealers' network spread all over the country. It has three wholly owned subsidiary companies operating in Singapore, America and Europe. It imports raw materials for manufacturing and also finished goods for trading. Manufactured goods are exported to various countries. The Overseas subsidiaries of the Company are engaged in the business of trading in similar products.

1.01.02 Accounting Concepts & Basis of Presentation

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis, except for certain fixed assets which are revalued. GAAP comprises mandatory accounting standards as specified in the Company (Accounting Standards) Rules 2006, the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The management evaluates all recently issued or revised accounting standards on an on-going basis. Where changes are made in presentation, the comparative figures of the previous year are regrouped and re-arranged accordingly.

1.01.03 Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

1.01.04 Companies included in Consolidation:

Greenlam Asia Pacific Pte Ltd. (Formerly: Gil Intercontinental Pte. Ltd.), Singapore and Greenlam America Inc., Florida (U.S.A) continue to be wholly-owned subsidiaries of the Company. During the year, the Company has incorporated another wholly-owned subsidiary Company, viz., Greenlam Europe (UK) Ltd., West Midlands, United Kingdom.

Greenlam Asia Pacific Pte. Ltd. continues to have two subsidiaries, viz. Greenlam Asia Pacific (Thailand) Co. Ltd. and Greenlam Holding Co. Ltd. During the year, it incorporated another subsidiary Company viz., PT. Greenlam Asia Pacific. (These Companies are referred to as "Step-Down subsidiary Companies" hereinafter). The minority interest in these step-down subsidiaries is 2.50%, 1.00% and 1.00% respectively.

In respect of existing subsidiary Companies and existing step-down subsidiary Companies, their financial statements for the entire year have been included in the Group's Consolidated Financial Statements and in respect of the subsidiary Company and step-down subsidiary Company incorporated during the year, the financial statements since the date of incorporation to the end of the financial year have been included in the Group's Consolidated Financial Statements.

1.02 VALUATION OF INVENTORIES (AS-2):

1.02.01 Stock of Raw Materials, Stores and spare parts are valued at cost; and of those in transit, at port and at Bonded Warehouse related to these items are valued at cost to date.

1.02.02 Goods-in-process is valued at cost.

1.02.03 Stock of Finished goods and semi-finished goods are valued at cost or net realisable value whichever is lower.

1.02.04 Waste and scraps are accounted at estimated realisable value.

1.02.05 Cost of inventories is generally ascertained on the 'weighted average' basis, except for stock of Timber Logs lying in Kriparampur and Rudrapur units, which are ascertained on 'FIFO' basis. Goods-in-process, finished and semi-finished goods are valued on absorption cost basis.

1.02.06 The self-generated Certified Emission Reductions (CERs) are recognized as asset on certification by UNFCCC and are valued at cost or net realizable value, whichever is lower.

1.03 CASH FLOW STATEMENT (AS – 3):

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company are segregated. Cash and cash equivalents in the balance sheet comprise cash at bank (excluding pledged term deposits), cash/cheque in hand and short term investments with an original maturity of three months or less.

1.04 CONTINGENCIES AND EVENTS OCCURRING AFTER BALANCE SHEET DATE (AS -4):

Disclosure of contingencies as required by the accounting standard is furnished in the Notes on accounts.

1.05 NET PROFIT OR LOSS FOR THE PERIOD, PRIOR PERIOD ITEMS AND CHANGES IN ACCOUNTING POLICIES (AS – 5):

Net Profit or loss for the period and prior period items are shown separately in the Profit & Loss Account.

1.06 DEPRECIATION (AS – 6):

Relating to the Parent Company

1.06.01 Depreciation on Fixed Assets is provided for on straight-line method in accordance with and generally at the rates specified in Schedule XIV to the Companies Act, 1956. Leasehold lands at Kriparampur, Rudrapur and Rajkot units are amortised over the period of lease. Other leasehold lands are not amortised.

1.06.02 Depreciation in respect of additions to assets has been charged on pro rata basis with reference to the period of use of such assets. The provision for depreciation for multiple shifts has been made in respect of eligible assets on the basis of operation of respective units. In respect of continuous process plant, depreciation has been provided as per rates prescribed in Schedule XIV of the Companies Act, 1956.

Relating to Greenlam Asia Pacific Pte Ltd

1.06.03 Depreciation on fixed assets is calculated to write off the cost of the assets on a straight-line method over its estimated period of use.

Relating to Greenlam America Inc.

1.06.04 Depreciation on fixed assets is provided for on Straight Line Method as used for Federal Income Tax purposes.

PT. Greenlam Asia Pacific

1.06.05 Depreciation is provided to write off the cost or valuation, less estimated residual value, of tangible assets over their expected useful economic lives, as follows:

Office Equipment - 25% reducing balance

1.07 REVENUE RECOGNITION (AS -9):

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

1.07.01 **Sale of Goods:** Sales are accounted for on despatch of products to customers. Gross sales shown in the Profit & Loss Account are inclusive of Excise Duty, Value added Tax/Sales Tax and the value of self-consumption and inter-transfers but excludes discounts. Net sales are shown after deducting Excise duty and Value Added Tax/Sales Tax which are disclosed at appropriate places.

1.07.02 **Interest:** Interest income is recognized on a time proportion basis taking into account the amount outstanding and rate applicable

Significant Accounting Policies and Notes Forming Part of Consolidated Financial Statements

1.07.03 **Dividends:** Dividend from investment is recognized when the Company in which they are held declares the dividend and when the right to receive the same is established.

1.07.04 **Export incentives:** Benefit on account of entitlement to import goods free of duty under the "Duty Entitlement Pass Book under Duty Exemption Scheme (DEPB)", Duty Free Replenishment Certificate (DFRC), Duty Free Import Authorisation (DFIA) Scheme to the extent of their face value are accounted for as and when exports are made i.e., in the year of export. Profit or loss arising on utilisation of the same and/or sale thereof are accounted for in the year in which either the imports are made against the said DEPB, DFRC or DFIA and/or the same are sold.

1.07.05 In case of manufacturing units exempt from payment of VAT/Sales tax under State laws, VAT input credit receivable is carried forward as an asset to the extent it is eligible for set-off in subsequent years.

1.08 ACCOUNTING FOR FIXED ASSETS (AS – 10):

1.08.01 Fixed assets, which are revalued, are stated at revalued amounts as a result of their revaluation.

1.08.02 Other Fixed Assets are stated at cost less accumulated depreciation. Cost includes borrowing costs as per Accounting Standard AS-16 issued by Institute of Chartered Accountants of India (ICAI) and all incidental expenditure net of CENVAT, Service Tax Input Credit and VAT Input Credit, wherever applicable.

1.08.03 Revenue expenses incurred in connection with project implementation insofar as such expenses relate to the period prior to the commencement of commercial production are treated as part of project cost and capitalized

1.09 ACCOUNTING FOR THE EFFECTS IN FOREIGN EXCHANGE RATES (AS – 11):

1.09.01 Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing at the time of the transactions.

1.09.02 In conformity with revised Accounting Standard (AS – 11), issued by the Institute of Chartered Accountants of India (ICAI), monetary items denominated in foreign currencies at the year end and not covered by forward exchange contracts are translated at year end rates and those covered by forward exchange contracts are translated at the rate ruling at the date of transaction as increased or decreased by the difference between the forward rate and exchange rate on the date of transaction, such difference having been amortised over the life of the contract.

1.09.03 Non-monetary items carried at historical cost are reported using the rate at the date of transaction.

1.09.04 In respect of branches, which are integral foreign operations, all transactions are translated at rates prevailing on the date of transaction or that approximates the actual rate at the date of transaction. Branch monetary assets and liabilities are restated at the year end rates.

1.09.05 Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account. However, in case of long term liabilities, where they relate to acquisition of fixed assets, the income or expense on account of exchange difference is adjusted to the carrying cost of such assets.

1.09.06 In case of its wholly owned subsidiary companies, being non-integral foreign operations, the items are translated by applying (a) actual rates for items of income and expenses in the statement of Profit and Loss and (b) closing rate in respect of both monetary and non-monetary items in the Balance Sheet. The resulting exchange differences relating to long-term monetary items are accumulated in a separate account, rather than being recognised in the Profit and Loss Account. Such difference is ultimately dealt with when the net investment in the related foreign operation is disposed off.

1.10 ACCOUNTING FOR INVESTMENT (AS – 13):

Investments, being long term in nature, are valued at cost of acquisition. Adjustment for increase/decrease in the value of investments, if any, will be accounted for on realisation of the investments. A provision for diminution is made to recognise a decline, other than temporary, in the value of long term investments.

1.11 EMPLOYEE BENEFITS (AS – 15):

1.11.01 Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

1.11.02 Past employment and other long term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognized at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the profit and loss account.

1.12 BORROWING COSTS (AS – 16):

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

1.13 SEGMENT REPORTING (AS – 17):

1.13.01 Identification of Segments:

Primary Segment

Business Segment:

The Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products and serves different markets. The identified segments are Manufacturing & Sale of (a) Plywood & Allied products; and (b) Laminates & Allied products, and (c) Medium Density Fibre Boards.

Secondary Segment

Geographical Segment:

The analysis of geographical segment is based on the geographical location of the customers.

The geographical segments considered for disclosure are as follows:

- Sales within India include sales to customers located within India.
- Sales outside India include sales to customers located outside India.

1.13.02 Allocation of Common costs:

Common allocable costs are allocated to each segment according to the ratio of their respective turnover to the total turnover.

1.13.03 Unallocated items:

The Unallocated Segment includes general corporate income and expense items, which are not allocated to any business segment.

1.14 RELATED PARTY DISCLOSURES (AS – 18):

Disclosure of related parties as required by the accounting standard is furnished in the Notes on accounts.

1.15 LEASES (AS – 19):

In accordance with Accounting Standard 19 "Accounting for leases", lease arrangements, where the risks and rewards incidental to ownership of an asset substantially vests with the lessor, are recognised as operating leases. Lease payments under operating lease are recognised as an expense in the profit and loss account.

1.16 EARNINGS PER SHARE (AS – 20):

Basic earnings (loss) per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.17 CONSOLIDATED FINANCIAL STATEMENTS (AS – 21):

1.17.01 The consolidated financial statements of the parent and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, income and expenses. Intragroup balances and intragroup transactions and resulting unrealized profits (losses) are eliminated in full. Consolidated financial statements are prepared using uniform accounting policies for the like transactions and other events in similar circumstances to the extent practicable and in case of difference, the same is disclosed.

1.17.02 Investments in subsidiaries are accounted for in accordance with Accounting Standard (AS) 13 – Accounting for Investments

1.17.03 All the three subsidiary Companies of the group are wholly owned and one of the subsidiary Company has interest in three other subsidiaries thereof. The minority interests of the subsidiary in those subsidiaries have been presented.

1.18 ACCOUNTING FOR TAXES ON INCOME (AS – 22):

The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted or substantially enacted regulations. Deferred Tax Assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full fiscal year.

1.19 INTERIM FINANCIAL REPORTING (AS – 25):

The quarterly financial results are published in accordance with the requirements of listing agreements with stock exchanges.

1.20 INTANGIBLE ASSETS (AS – 26):

1.20.01 Internally generated intangible asset under development stage is recognized when it is demonstrated that it is technically feasible to use the same and the cost incurred for developing the same is ascertained. Technical Know-how so developed internally is amortised on a straight- line basis over its estimated useful life.

1.20.02 Intangible assets acquired by payment e.g., Trade marks and Goodwill are disclosed at cost less amortization on a straight-line basis over its estimated useful life.

1.21 IMPAIRMENT OF ASSETS (AS – 28):

There is no indication of any impairment based on internal/external factors in relation to the assets of the Company and as such, this Standard is not applicable in case of the Company.

1.22 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS (AS – 29):

1.22.01 Provisions are made for present obligations arising as a result of past events.

1.22.02 Contingent liabilities are not provided for but are disclosed by way of Notes on Accounts.

1.22.03 Contingent assets are neither accounted for nor disclosed by way of Notes on Accounts.

1.23 CENTRAL EXCISE DUTY:

Excise Duty liability accruing on manufacture is accounted for as and when the liability for payment arises under the Central Excise Act, 1944. Duty on finished goods lying at stock at factory at the close of the year has not been provided for in the accounts and hence not included in the valuation of inventory of such goods. However the said liability if accounted would have no impact on the financial results for the accounting period.

1.24 CONSUMPTION OF RAW MATERIALS, STORES & SPARE PARTS ETC. :

Raw Materials, Stores and spare parts etc., consumed are exclusive of (a) Excise Duty on inputs under Cenvat Scheme, (b) Service tax input credits, (c) Insurance Claims received (d) Entry Tax under Rajasthan Local Sales Tax Act under set-off scheme and (e) VAT Input Credit under State laws, wherever applicable.

Significant Accounting Policies and Notes Forming Part of Consolidated Financial Statements

1.25 SERVICE TAX & CESS:

Various expenses are accounted for after deducting the input tax credit available in respect of Service Tax, Education Cess and Secondary & Higher Education Cess.

1.26 TAXATION:

1.26.01 Tax expenses comprise of income tax, corporate dividend tax, deferred tax including applicable surcharge and cess.

1.26.02 Income taxes are computed using the tax effect accounting method, where taxes are accrued in the same period the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

1.26.03 MAT (Minimum Alternate Tax) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

1.26.04 Provision for deferred tax or credit for release thereof is accounted for as ascertained in accordance with principles stated in para 1.26.01 hereinabove.

1.26.05 Tax on distributed profits payable in accordance with the provisions of section 115O of the Income Tax Act, 1961 is in accordance with the Guidance Note on "Accounting for Corporate Dividend Tax" regarded as a tax on distribution of profits and is not considered in determination of profits for the year.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2013

1. SHARE CAPITAL

(₹ in Lacs)

	As at 31st March, 2013		As at 31st March, 2012	
	Number	₹ in lacs	Number	₹ in lacs
1.1 Authorised				
Equity Shares of ₹ 5 each	32000000	1600.00	32000000	1600.00
Cumulative Redeemable Preference Shares of ₹10 each	5000000	500.00	5000000	500.00
	37000000	**2100.00**	**37000000**	**2100.00**
1.2 Issued, Subscribed and Fully Paid up				
Equity Shares of ₹ 5 each	24136374	1206.82	24136374	1206.82
1.3 The reconciliation of the number of shares outstanding				
Equity Shares at the beginning of the year	24136374	1206.82	24136374	1206.82
Add : Allotted during the year	–	–	–	–
Total	**24136374**	**1206.82**	**24136374**	**1206.82**
1.4 Name of the Shareholders holding more than 5% Shares	Number	%	Number	%
EQUITY SHARES				
S.M.Management Pvt Ltd	3543462	14.68%	3543462	14.68%
Ashish Dhawan	2869488	11.89%	2429545	10.07%
Greenply Leasing & Finance Ltd	2714731	11.25%	2714731	11.25%
Prime Holdings Pvt Ltd	2408560	9.98%	2408560	9.98%
HDFC Trustee Company Ltd	1390629	5.76%	–	–
Jai-Vijay Resources Pvt Ltd	558408	2.31%	1294245	5.36%
Shiv Prakash Mittal, Saurabh Mittal & Shobhan Mittal on behalf of Trade Combines, partnership firm	2110476	8.74%	2110476	8.74%

Notes on Consolidated Financial Statements
for the year ended 31st March, 2013

2. RESERVES & SURPLUS

(₹ in Lacs)

	As at 31st March, 2013		As at 31st March, 2012	
Capital Reserve				
As per last Balance Sheet	50.00		20.00	
Add: Capital Subsidy Received under "Central Capital Investment Subsidy Scheme, 2003"	30.00		30.00	
		80.00		50.00
Capital Redemption Reserve				
As per last Balance Sheet		500.00		500.00
Securities Premium Account				
As per last Balance Sheet	11625.92		11597.64	
Add: Received during the year	–		28.28	
		11625.92		11625.92
Revaluation Reserve				
As per last Balance Sheet	32.92		33.68	
Less: Transfer to Statement of Profit & Loss				
a. On account of difference between depreciation on revalued cost of assets and it's original cost	0.76		0.76	
b. On account of difference on loss on asset discarded between revalued written down value and it's original written down value	32.16		–	
		–		32.92
General Reserve				
As per last Balance Sheet	5178.58		4478.58	
Add: Transferred from Statement of Profit and Loss	1400.00		700.00	
		6578.58		5178.58
Surplus				
As per last Balance Sheet	17689.66		13280.06	
Add : Net profit for the current year	11966.17		5670.64	
Less : Transfer to General Reserve	1400.00		700.00	
Less : Proposed Dividend on Equity Shares	724.09		482.73	
[Dividend Per Share ₹ 3 (Previous year ₹ 2)]				
Less : Tax on Distribution of Dividend	123.06		78.31	
		27408.68		17689.66
Total		**46193.18**		**35077.08**

3. LONG-TERM BORROWINGS

(₹ in Lacs)

	As at 31st March, 2013		As at 31st March, 2012	
Secured				
Term Loans				
From Banks				
Foreign Currency Loans	10281.11		10284.47	
Rupee Loans	11987.57		15113.03	
		22268.68		25397.50
From Others				
Rupee Loans		588.23		1176.70
Deferred Payment Liabilities		160.84		183.49
		23017.75		26757.69
Unsecured				
Deferred Payment Liabilities		723.75		260.68
Total		**23741.50**		**27018.37**

Notes on Consolidated Financial Statements

for the year ended 31st March, 2013

3. LONG-TERM BORROWINGS *(contd...)*

3.1 Term Loan from Landesbank Baden-Wurttenberg is secured by first priority security charge on Main Press Line of MDF plant of the Holding Company.

3.2 Term Loan from United Overseas Bank Ltd. is secured against the property at 11, Sungei Kedat Crescent, Singapore and personal Guarantee of a director and Chief Operating Officer of Greenlam Asia Pacific Pte Ltd.

3.3 Term Loans of the Group other than those stated in 3.1 and 3.2 above, are secured by first mortgage and charge on the immovable and movable properties of the holding Company excluding immovable properties at Tizit, Nagaland and Main Press line of MDF plant, ranking on pari passu basis, save and except current assets, both present and future and second charge over the current assets of the Holding Company.

3.4 Deferred payment liabilities are in respect of finance of vehicles and are secured by hypothecation of the respective vehicles.

3.5 Terms of Repayment and Rate of Interest of Term Loans

(₹ in Lacs)

	Rate of Interest	Repayment Schedule			
		2014-15	2015-16	2016-17	2017-18
Term Loans from Banks	2.10%	1363.09	1363.09	1363.09	1363.09
	3.69%	716.50	716.50	716.50	749.05
	9.25%	1774.08	–	–	–
	11.25%	1250.00	937.50	–	–
	12.00%	300.00	412.50	262.50	–
	12.20%	1960.00	1796.67	–	–
	12.25%	684.00	684.00	171.00	–
	12.45%	860.00	1065.00	–	–
	12.50%	750.00	187.50	–	–
	12.80%	666.91	–	–	–
	4.62%	130.17	25.94	–	–
Term Loans from Others	11.80%	588.23	–	–	–

4. DEFERRED TAX LIABILITIES (NET) :

(₹ in Lacs)

	As at 31st March, 2013		As at 31st March, 2012	
DEFERRED TAX LIABILITIES :				
Depreciation		5031.32		4093.42
LESS : DEFERRED TAX ASSETS :				
Provision for Gratuity/Liabilities	791.14		575.88	
Deviation in value of Closing Stock U/S 145A	169.06		150.81	
		960.20		726.69
Total		**4071.12**		**3366.73**

5. OTHER LONG TERM LIABILITIES

(₹ in Lacs)

	As at 31st March, 2013		As at 31st March, 2012	
Others				
Security Deposits from Customers		882.08		743.54

6. LONG TERM PROVISIONS

(₹ in Lacs)

	As at 31st March, 2013		As at 31st March, 2012	
Provisions for Employee Benefits (unfunded)				
For Gratuity		974.40		754.75
For Leave Encashment		692.66		478.88
Total		**1667.06**		**1233.63**

Greenply Industries Limited

Notes on Consolidated Financial Statements

for the year ended 31st March, 2013

7. SHORT TERM BORROWINGS

(₹ in Lacs)

	As at 31st March, 2013		As at 31st March, 2012	
Secured				
Working Capital Loans				
from Banks				
Foreign Currency Loans	2724.97		1734.82	
Rupee Loans	11261.09		6499.00	
from Others				
Foreign Currency Loans	542.80		–	
Rupee Loans	570.00		670.00	
		15098.86		8903.82
Unsecured				
Other Loans and advances				
from Banks				
Foreign Currency Loans	1597.01		–	
Foreign Currency Loan - Buyers' Credit	15620.38		19305.87	
Rupee Loans	1500.00		1000.00	
from Others				
Rupee Loans	–		4964.97	
		18717.39		25270.84
Total		**33816.25**		**34174.66**

7.1 Working Capital Loans of Greenlam Asia Pacific Pte Ltd., are secured against the bank's lien on the Fixed Deposits, 10% cash margin for the L C facility, first exclusive charge on all assets and accounts of the Company, and Corporate Guarantee of Holding Company. The bills payable LC-DP/TR is secured by bank's lien over the current assets of the Company for which a charge has been registered.

7.2 Working Capital Loans of the Holding Company are secured by first charge by way of hypothecation of current assets and second charge over movable and immovable properties of the Company except immovable properties at Tizit, Nagaland and Main Press line of MDF Plant, on pari-passu basis.

8. OTHER CURRENT LIABILITIES

(₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
Current maturities of Long Term Borrowings*	10522.76	9061.61
Current maturities of Deferred Payment Liabilities*	500.75	326.53
Interest Accrued but not due on borrowings	344.61	584.41
Advance from Customers	1025.58	882.97
Unpaid Dividend	6.28	9.21
Statutory Dues	2430.64	1749.80
Total	**14830.62**	**12614.53**

* The terms are stated in notes nos. 3.1 to 3.4

8.1 Amount due and outstanding to be credited to the Investor Education and Protection Fund Nil (Previous Year Nil)

9. SHORT TERM PROVISIONS

(₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
Provision for employee benefits		
Gratuity	71.96	37.05
Leave Salary	109.34	105.48
Proposed Dividend		
Equity Shares	724.09	482.73
Tax on Distribution of dividend	123.06	78.31
Provision for Taxation	14.70	9.55
Total	**1043.15**	**713.12**

Notes on Consolidated Financial Statements
for the year ended 31st March, 2013

10. FIXED ASSETS

(₹ in Lacs)

Particulars	GROSS BLOCK						DEPRECIATION						NET BLOCK	
	As at 01/04/2012	Acquired	Addition during the period	Currency Translation Adjustment	Deduction during the period	Total as at 31/03/2013	Upto 31/03/2012	Acquired	For the period	Currency Translation Adjustment	Adjustment for Deductions	Total as at 31/03/2013	As at 31/03/2013	As at 31/03/2012
OWN ASSETS														
Tangible Assets														
Freehold Land	1585.66	–	1745.68	–	–	3331.34	–	–	–	–	–	–	3331.34	1585.66
Leasehold Land	765.02	–	–	–	–	765.02	53.12	–	7.91	–	–	61.03	703.99	711.90
Land Development	1385.69	–	49.13	–	–	1434.82	38.05	–	10.33	–	–	48.38	1386.44	1347.64
Buildings	14816.91	–	896.46	89.54	123.35	15679.56	1549.47	–	477.58	8.64	28.32	2007.37	13672.19	13267.44
Plant & Equipments	55253.44	–	3291.58	–	347.83	58197.19	13014.50	–	4020.85	(0.01)	229.76	16805.58	41391.61	42238.94
Furniture & Fixtures	1279.10	–	396.29	11.07	10.96	1675.50	369.48	–	104.46	6.11	4.58	475.47	1200.03	909.62
Vehicles	2112.50	–	1452.51	5.28	267.37	3302.92	465.12	–	248.46	(0.06)	121.85	591.67	2711.25	1647.38
Heavy Vehicles	163.81	–	5.72	–	–	169.53	76.23	–	14.63	–	–	90.86	78.67	87.58
Office Equipments	1762.47	–	398.71	7.32	134.56	2033.94	788.13	–	220.72	2.77	114.25	897.37	1136.57	974.34
Sub Total	**79124.60**	–	**8236.08**	**113.21**	**884.07**	**86589.82**	**16354.10**	–	**5104.94**	**17.45**	**498.76**	**20977.73**	**65612.09**	**62770.50**
Intangible Assets														
Computer Software	551.28	–	416.62	–	–	967.90	276.20	–	140.17	–	–	416.37	551.53	275.08
Technical Knowhow	–	–	304.23	–	–	304.23	–	–	38.03	–	–	38.03	266.20	–
Trademarks	68.58	–	12.82	–	–	81.40	46.30	–	11.17	(0.02)	–	57.45	23.95	22.28
Goodwill	390.06	–	–	3.96	–	394.02	272.00	–	68.00	–	–	340.00	54.02	118.06
Sub Total	**1009.92**	–	**733.67**	**3.96**	–	**1747.55**	**594.50**	–	**257.37**	**(0.02)**	–	**851.85**	**895.70**	**415.42**
Capital Work In Progress	1115.25	–	2251.87	–	1030.04	2337.08	–	–	–	–	–	–	2337.08	1115.25
Intangible Assets under Development	234.93	–	–	–	234.93	–	–	–	–	–	–	–	–	234.93
Total	**81484.70**	–	**11221.62**	**117.17**	**2149.04**	**90674.45**	**16948.60**	–	**5362.31**	**17.43**	**498.76**	**21829.58**	**68844.87**	**64536.10**
Previous Year's Total	74821.32	82.58	8514.80	–	1934.00	81484.70	12543.84	9.54	4830.31	–	435.09	16948.60	64536.10	–

10.1 Addition to Plant & Equipments includes ₹ 440.40 lacs (Previous year ₹ 872.16 lacs) on account of loss due to fluctuation in Foreign Exchange Rates.

10.2 Some of the fixed assets of Plywood division were revalued on 31st March, 1994 on the basis of the report of an Approved Valuer and the resultant increase in book value was ₹ 293.52 lacs.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2013

11. INVESTMENTS

(₹ in Lacs)

	As at 31st March, 2013		As at 31st March, 2012	
	Number	₹ in lacs	Number	₹ in lacs
Investments in Equity Instruments (at Cost)				
Trade				
Quoted, Fully Paid up				
Other than Trade				
Himalaya Granites Ltd - Equity Shares of ₹ 10 each	380583	8.14	380583	8.14
Indian Overseas Bank Ltd - Equity Shares of ₹ 10 each	3400	0.82	3400	0.82
Total		8.96		8.96
Aggregate amount of Quoted Investments		8.96		8.96
Aggregate amount of Unquoted Investments		–		–
		8.96		8.96
Aggregate Market Value of Quoted Investments		130.47		80.65

12. LONG TERM LOANS & ADVANCES

(₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
Unsecured, Considered good		
Capital Advances	3503.98	685.48
Security Deposits	912.28	723.45
Total	**4416.26**	**1408.93**

13. OTHER NON-CURRENT ASSETS

(₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
Unamortised Share Issue Expenses	0.58	26.19
Foreign Currency Translation Adjustment	407.77	249.61
	408.35	**275.80**

14. INVENTORIES

(₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
Raw Materials (at cost)	20714.90	17356.11
[including at Customs Warehouse ₹ 3090.91 lacs (Previous year ₹ 1924.03 lacs) and at Port ₹ 349.97 lacs (Previous year ₹ 98.99 lacs)]		
Stock in Process (at cost)	2406.70	1686.08
Finished Goods (lower of cost or net realisable value)	10798.63	8708.72
[including in Transit ₹ 890.06 lacs (Previous year ₹ 700.46 lacs) and at Port ₹ 21.83 lacs (Previous year ₹ 17.99 lacs)]		
Stock In Trade (lower of cost or net realisable value)	218.42	536.33
[including in Transit ₹ 33.81 lacs (Previous year ₹ 10.50 lacs)]		
Certified Emission Reductions (CER)	8.68	4.50
(lower of cost or net realisable value)		
Stores & Spares (at cost)	1632.37	1326.38
Total	**35779.70**	**29618.12**
	Number	Number
14.1 CERs held in inventory	59864	15111
CER under Certification (Since certified)	–	30014

Notes on Consolidated Financial Statements

for the year ended 31st March, 2013

15. TRADE RECEIVABLES

(₹ in Lacs)

	As at 31st March, 2013		As at 31st March, 2012	
15.1 Outstanding for a period exceeding six months from due date	710.82		534.32	
Less : Provision for Doubtful Debts	17.28		16.02	
		693.54		518.30
Other debts		33872.37		26506.78
Total		**34565.91**		**27025.08**
15.2 Secured, considered good		116.00		258.76
Unsecured, considered good		34449.91		26766.32
Total		**34565.91**		**27025.08**

16. CASH & BANK BALANCES

(₹ in Lacs)

	As at 31st March, 2013		As at 31st March, 2012	
16.1 Cash & Cash Equivalents				
Balances with Banks		1045.44		638.98
Balances with Banks - unpaid dividend		6.28		9.22
Cash on Hand		66.96		77.43
		1118.68		725.63
16.2 Other Bank Balances				
Term Deposits with Banks				
(Receipts pledged with banks & others as security deposits)				
Maturity within 12 months		388.38		831.74
Maturity over 12 months		178.36		18.58
Term Deposits with Banks (Others)				
Maturity within 12 months		150.35		–
		717.09		850.32
Total		**1835.77**		**1575.95**

17. SHORT TERM LOANS & ADVANCES

(₹ in Lacs)

	As at 31st March, 2013		As at 31st March, 2012	
Unsecured, considered good				
Advance to Staff & Workers		291.32		223.43
Advance against Purchases		2322.75		1057.14
Other receivables		3958.14		3180.38
Service Tax Input Credit Receivable		534.88		289.16
Balance with Central Excise Authorities		750.97		422.17
Advance Payment of Income Tax (Less Provision)		438.94		516.83
MAT Credit Entitlement		2619.68		2635.26
Advance Payment of Sales Tax (including unavailed VAT input credit)		389.73		271.18
Total		**11306.41**		**8595.55**

18. OTHER CURRENT ASSETS

(₹ in Lacs)

	As at 31st March, 2013		As at 31st March, 2012	
Unamortised Share Issue Expenses		25.62		25.62

Notes on Consolidated Financial Statements
for the year ended 31st March, 2013

19. REVENUE FROM OPERATIONS

(₹ in Lacs)

	For the year ended 31st March, 2013		For the year ended 31st March, 2012	
Sale of Products	212150.95		177729.57	
Less : Central Excise Duty	7744.66		7087.11	
Net Sales		204406.29		170642.46
Other Operating Revenue				
Insurance Claim Received	258.97		89.74	
Liabilities no longer required written back	44.68		27.00	
Miscellaneous Income	80.91		52.03	
		384.56		168.77
Total		**204790.85**		**170811.23**

19.1 The Central Excise Duty debited to Profit and Loss Account is net of refund received ₹ 1751.68 lacs (Previous year ₹ 489.74 lacs) including ₹ 889.07 lacs (Previous year ₹ Nil) for earlier years. This refund is on account of exemption equivalent to the excise duty payable on value addition carried out by the Tizit unit and additional sums as per an interim order of the Hon'ble Guwahati High Court.

19.2 Company's both the units at Rudrapur (Uttarakhand) and its unit at Nalagarh (Himachal Pradesh) are exempt from levy of Central Excise Duty.

19.3 Central Excise Duty includes ₹ 89.11 lacs (Previous year ₹ 117.74 lacs) paid on account of differential excise duty for earlier years.

19.4 Particulars of Sale of Products

(₹ in Lacs)

		For the year ended 31st March, 2013		For the year ended 31st March, 2012
Decorative Laminates		65060.43		53529.03
[including exports ₹ 22739.26 lacs (Previous year ₹ 16267.48 lacs), export incentives ₹ 2822.85 lacs (Previous year ₹ 1990.57 lacs) and inter transfer ₹ 523.31 lacs (Previous year ₹ 460.27 lacs)]				
Plywood & Allied Products		107836.77		98014.50
[including exports ₹ 158.49 lacs (Previous year ₹ 84.05 lacs), export incentives ₹ Nil (Previous year ₹ 2.83 lacs) and inter transfers ₹ 2795.09 lacs (Previous year ₹ 2871.90 lacs)]				
Medium Density Fibre Board		37588.00		24534.29
[including inter transfer ₹ 427.48 lacs (Previous year ₹58.36 lacs)]				
Others		1665.75		1651.75
[including exports ₹ 1.96 lacs (Previous year ₹33.97 lacs), inter transfers ₹ 418.92 lacs (Previous year ₹ 500.56 lacs)]				
		212150.95		**177729.57**

19.5 Manufactured goods consumed for own use is accounted for at selling price.

20. OTHER INCOME

(₹ in Lacs)

		For the year ended 31st March, 2013		For the year ended 31st March, 2012
Interest Subsidy Received		22.82		32.45
Interest Received		488.71		558.28
Assignment of Keyman Insurance Policies		128.70		–
Prior Period Income		10.35		–
Dividend		0.15		0.17
Total		**650.73**		**590.90**

Notes on Consolidated Financial Statements

for the year ended 31st March, 2013

21. COST OF MATERIALS CONSUMED

(₹ in Lacs)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Paper	21940.95	18701.33
Timber	37373.65	28479.65
Veneer	15386.46	14897.70
Chemicals	29139.58	23722.67
Plywood / Particle Board / MDF	7421.00	6298.20
Others	219.98	266.82
Total	**111481.62**	**92366.37**
Imported	46277.76	31522.61
Indigenous	65203.86	60843.76
Total	**111481.62**	**92366.37**

21.1 Cost of Materials Consumed includes cost of materials sold ₹ 1046.72 lacs (Previous year ₹ 1080.33 lacs).

22. PURCHASE OF FINISHED/TRADED GOODS

(₹ in Lacs)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Plywood	8644.39	10630.32
Decorative Laminates	737.72	1263.46
[including inter transfer ₹ 7.77 lacs (Previous year ₹ 42.81 lacs)]		
Medium Density Fibre Board	174.76	149.62
Total	**9556.87**	**12043.40**

23. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS AND STOCK IN TRADE

(₹ in Lacs)

	For the year ended 31st March, 2013		For the year ended 31st March, 2012	
OPENING STOCK				
Finished Goods	8708.72		7145.07	
Stock in Trade	536.33		162.99	
Certified Emission Reductions (CER)	4.50		–	
Goods-in-Process	1686.08	10935.63	1346.28	8654.34
CLOSING STOCK				
Finished Goods	10798.63		8708.72	
Stock in Trade	218.42		536.33	
Certified Emission Reductions (CER)	8.68		4.50	
Goods-in-Process	2406.70	13432.43	1686.08	10935.63
Total		**(2496.80)**		**(2281.29)**

24. EMPLOYEES BENEFITS EXPENSE

(₹ in Lacs)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Salary, Wages & Bonus	16816.14	13410.99
Contribution to Provident Fund & Employees' State Insurance	892.29	743.71
Employees' Welfare Expenses	476.81	384.38
Total	**18185.24**	**14539.08**

24.1 Disclosures Regarding Employee Benefits

Defined Contribution Plan: Employee benefits in the form of Provident Fund and ESIC are considered as defined contribution plan and the contributions to Employees' Provident Fund Organisation established under The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and Employees' State Insurance Act, 1948, respectively, are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due.

Notes on Consolidated Financial Statements
for the year ended 31st March, 2013

24. EMPLOYEES BENEFITS EXPENSE *(contd...)*

Defined Benefit Plan: Retirement benefits in the form of Gratuity are considered as defined benefit obligations and are provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. As the Company has not funded its liability, it has nothing to disclose regarding plan assets and its reconciliation. Defined Benefit Obligation at the year end amounted to ₹ 1046.36 lacs (previous year ₹ 791.80 lacs).

Actuarial assumptions:

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Mortality Table	IALM 2006-2008	LIC 1994-1996
Discount Rate (per annum)	8	8
Expected rate of return on plan assets (per annum)	–	–
Rate of escalation in salary (per annum)	5	5

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

The above information is certified by the actuary.

Para 132 of Accounting Standard 15 (revised 2005) does not require any specific disclosures except where expense resulting from compensated absence is of such size, nature or incidence that its disclosure is relevant under Accounting Standard 5 or Accounting Standard 18. In the opinion of the management the expense resulting from compensated absence is not significant and hence no disclosures are prepared under various paragraphs of AS 15 (revised 2005).

The foregoing information relates to the parent company.

25. FINANCE COSTS

(₹ in Lacs)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Interest Expense	6039.00	6028.05
Other Borrowing Cost	152.91	99.26
Total	**6191.91**	**6127.31**

26. DEPRECIATION & AMORTIZATION EXPENSE

(₹ in Lacs)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Depreciation & Amortization Expense	5362.31	4830.31
Less : Transfer from Revaluation Reserve	0.76	0.76
Total	**5361.55**	**4829.55**

Notes on Consolidated Financial Statements
for the year ended 31st March, 2013

27. OTHER EXPENSES

(₹ in Lacs)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Consumption of stores & spares	1348.13	1627.38
Power & Fuel	10016.13	10551.23
Rent	1164.85	999.39
Repairs to buildings	106.78	117.68
Repairs to machinery	1241.02	850.24
Insurance	430.17	335.33
Rates and taxes	629.83	268.49
Travelling expenses	2293.71	1848.83
Freight & delivery expenses	8921.44	7361.10
Export Expenses	2338.83	1729.00
Advertisement & Sales promotion	7104.79	4937.96
Auditors Remuneration	45.57	35.48
Bank Charges	410.40	405.51
Loss on Sale / Discard of Assets	167.74	201.50
(After deducting ₹ 32.16 lacs transferred from revaluation reserve)		
Prior Period Expenses	24.81	13.74
Other General Expenses	4471.65	3874.29
Total	**40715.85**	**35157.15**
27.1 CONSUMPTION OF STORES & SPARES		
Imported	125.68	146.04
Indigenous	1222.45	1481.34
Total	**1348.13**	**1627.38**
27.2 AUDITORS' REMUNERATION		
Statutory Audit Fees	32.88	26.07
Tax Audit Fees	2.00	2.00
Certification Fees	4.82	1.51
Expenses (incurred & reimbursed)	5.87	5.90
Total	**45.57**	**35.48**

28. CONTINGENT LIABILITIES AND COMMITMENTS

28.1 Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) ₹ 1334.66 lacs (Previous year ₹ 463.45 lacs).

28.2 Contingent liabilities

a. Counter-Guarantees given to banks for bank guarantees' established ₹ 370.57 lacs (Previous year ₹ 420.13 lacs).

b. Letter of credit established but material not received amounting to ₹ 5276.21 lacs (Previous year ₹ 483.54 lacs).

c. Guarantee/Letter of Assurance given to Banks for Bills discounting facilities (Channel Financing) – ₹ 5,000.00 lacs (Previous Year ₹ 5,000.00 lacs) and outstanding amount under this Bills Discounting facility – ₹ 4119.89 lacs (Previous year ₹ 2724.60 lacs).

d. Claims against the Company not acknowledged as debts – ₹ 72.91 lacs (Previous year – ₹ 47.13 lacs).

e. Disputed Demand of Statutory Dues in Appeal ₹ 881.31 lacs (Previous year ₹ 3271.60 lacs). Out of it ₹ NIL (Previous Year ₹ 2670.52 lacs) has been stayed for recovery by the relevant Authorities.

f. Amounts covered by Show cause notices received from Excise Authorities ₹ 8783.20 lacs (Previous Year ₹ 5842.62 lacs).

g. Amounts covered by Departmental appeals against orders in favour of the Company ₹ 11.06 lacs (Previous Year ₹ Nil).

h. Estimated liability of "Entry Tax" under "Himachal Pradesh Tax on Entry of Goods into Local Area Act, 2010" – ₹ Nil (Previous Year ₹ 88.83 lacs) (stayed by High Court of Himachal Pradesh).

i. Guarantee given to Banks in respect of loans to its wholly owned subsidiary US Dollar 10,000,000

Notes on Consolidated Financial Statements

for the year ended 31st March, 2013

(Previous Year US Dollar 10,000,000) and Singapore Dollar 14,00,000 (Previous Year Singapore Dollar 14,00,000) equivalent to ₹ 6040 lacs (Previous Year ₹ 5654.81 lacs), translated at year-end exchange rate.

j. In respect of capital goods imported at the concessional rate of duty under the Export Promotion Capital Goods Scheme, the Company has an export obligation of approximately ₹ 13985.32 lacs (previous year ₹ 18834.94 lacs), which is required to be met at different dates, before 10.04.2019 (previous year 30.12.2018). In the event of non-fulfillment of the export obligation, the Company will be liable to pay customs duties of approximately ₹ 1748.17 lacs (Previous Year ₹ 2354.37 lacs) together with interest, as applicable.

29. Balances under Trade receivables, Trade Payables, Loans and Advances payable or receivable are subject to confirmation to be received from some of the parties.

30. The Parent Company (Greenply Industries Limited) is providing depreciation on fixed assets on straight line method in accordance with and generally at the rates specified in Schedule XIV to the Companies Act, 1956, whereas the wholly-owned subsidiaries have provided depreciation as follows:

Greenlam Asia Pacific Pte. Ltd. - On straight line basis over the expected useful lives of the fixed assets.

Greenlam America Inc. - On straight line method as used for Federal Income Tax purposes.

Greenlam Europe (UK) Ltd - On reducing balance method over the expected useful economic lives of the fixed assets.

31. Segment Reporting (Under Accounting Standard AS - 17 issued by ICAI)

Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company. As part of Secondary reporting, revenues are attributed to geographical areas based on the location of the customers. The following table present the revenue, profit, assets and liabilities information relating to the business / geographical segment for the year ended 31st March, 2013

Information about Business Segments - Primary (₹ in Lacs)

Reportable Segment	Plywood & Allied Products for the year ended		Laminate & Allied Products for the year ended		Medium Density Fibre Board & Allied Products for the year ended		Unallocated for the year ended		Total for the year ended	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012
REVENUE										
External Sales	95794.61	85413.99	75036.03	63948.44	37155.50	24476.04	–	–	207986.14	173838.47
Inter-segment Sales	2804.94	2950.96	932.39	881.78	427.48	58.36	–	–	4164.81	3891.10
Gross Sales	98599.55	88364.95	75968.42	64830.22	37582.98	24534.40	–	–	212150.95	177729.57
Less : Excise Duty	4232.95	4134.11	3511.71	2953.00	–	–	–	–	7744.66	7087.11
Net Sales	**94366.60**	**84230.84**	**72456.71**	**61877.22**	**37582.98**	**24534.40**	–	–	**204406.29**	**170642.46**
RESULT										
Segment Result	9698.75	6904.38	7868.91	7610.23	7058.15	2357.92	–	–	24625.81	16872.52
Unallocated Corporate Expenses							3176.61	4458.38	3176.61	4458.38
Operating Profit									21449.20	12414.15
Less : Interest Expense							6191.91	6127.31	6191.91	6127.31
Add : Interest Income							488.71	558.28	488.71	558.28
Profit before Tax									15746.00	6845.12
Current Tax									3074.35	281.77
Deferred Tax									703.61	892.54
Profit after Tax									**11968.04**	**5670.81**
OTHER INFORMATION										
Segment Assets	53647.66	45902.78	58695.52	53852.50	38024.65	32648.10	6390.06	4939.09	156757.89	137342.47
Segment Liabilities	14573.01	9991.59	13799.75	12406.14	6488.35	3743.33	2274.44	1270.41	37135.55	27411.47
Loan Fund							68581.26	70581.17	68581.26	70581.17
Deferred Tax Liabilities (Net)							4071.12	3366.73	4071.12	3366.73
Minority Interest							3.92	0.65	3.92	0.65
Shareholders' Funds							46966.04	35982.45	46966.04	35982.45
Total Liabilities									**156757.89**	**137342.47**
Capital Expenditure	3406.13	2973.82	2323.53	1663.47	3743.57	2502.15	483.42	329.50	9956.65	7468.94
Depreciation	1392.85	1183.26	2030.60	1917.18	1594.93	1458.10	343.17	271.01	5361.55	4829.55
Non-cash expenses other than depreciation	46.57	88.48	9.90	55.78	9.31	13.63	188.78	14.27	254.56	172.16

Secondary Segment - Geographical by location of customers (₹ in Lacs)

	Revenue for the year ended		Carrying Amount of Segment Assets for the year ended		Additions to Fixed Assets for the year ended	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012
India	176869.55	147842.11	145516.87	122858.08	9807.51	6920.75
Other Asian Countries	15227.68	14058.16	8029.07	12137.33	144.37	538.71
Middle East Countries	4171.36	3009.04	551.63	557.86	–	–
Europe	2830.96	2133.14	1246.67	514.05	2.36	–
North America	4462.90	3221.96	1125.46	1115.15	2.41	9.48
Australia	388.49	–	–	–	–	–
Africa	455.35	378.05	288.19	160.00	–	–
	204406.29	170642.46	156757.89	137342.47	9956.65	7468.94

Notes:

a) **Segment Assets and Liabilities :**

All Segment Assets and liabilities are directly attributable to the segment. Segment assets include all operating assets used by the segment and consist principally of fixed assets, inventories, sundry debtors, advances and operating cash and bank balances. Segment assets and liabilities do not include investments, inter-corporate deposits and advances, share capital, reserves and surplus, borrowings, provision for gratuity, proposed dividend and income tax (both current and deferred).

b) **Segment Revenue and Expenses :**

Segment revenue and expenses are directly attributable to the segment. It does not include dividend income, profit on sale of investments, interest expense (net), other expenses which cannot be allocated on a reasonable basis and provision for income tax (both current and deferred).

32. RELATED PARTY DISCLOSURES AS PER ACCOUNTING STANDARD AS - 18

32.1 List of related parties where control exists and related parties with whom transactions have taken place and relationships:

a) **Parties where control exists**
   i) Himalaya Granites Ltd.
   ii) Prime Holdings Pvt Ltd.
   iii) S.M.Management Pvt Ltd.
   iv) Prime Properties Pvt Ltd.
   v) Trade Combines

b) **Key Management Personnel**
   i) Mr. Shiv Prakash Mittal, Executive Chairman
   ii) Mr. Rajesh Mittal, Managing Director
   iii) Mr. Saurabh Mittal, Jt. Managing Director & CEO
   iv) Mr. Shobhan Mittal, Executive Director

c) **Relative of Directors:**
   i) Ms. Parul Mittal
   ii) Ms. Chitwan Mittal

32.2 Transactions during the year: (₹ in Lacs)

Particulars	Control	Key Management Personnel	Relatives of Directors
I. Transactions during the period			
Payment towards Services Received	126.72 (126.72)	– (–)	38.79 (34.84)
Assignment of Keyman Insurance Policies	– (–)	128.70 (–)	– (–)
Managerial Remuneration	– (–)	1105.05 (595.49)	– (–)
II. Amount Outstanding as at Balance Sheet date			
Trade Payable	– (–)	– (–)	14.35 (–)

Notes:
1. Related Party Relationship is as identified by the Company and relied upon by the Auditors.
2. Figures for the previous year have been given in brackets.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2013

33. LEASES

The company has taken certain vehicles under non-cancelable operating lease arrangements. The future minimum lease payments in respect of such non-cancelable leases as at 31st March, 2013 are summarized below:

(₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
Amount due within one year	54.93	13.66
Amount due between one year and five years	167.34	23.25
Amount due above five years	–	–
	222.27	36.91

34. EARNINGS PER SHARE

		For the year ended 31st March, 2013	For the year ended 31st March, 2012
Calculation of weighted average number of equity shares of ₹ 5 each			
No of Shares at the beginning of the year		24136374	24136374
Total no. of equity shares outstanding at the end of the year		24136374	24136374
Equity shares outstanding for 365/(366) days		24136374	24136374
Weighted average number of equity shares outstanding during the year		24136374	24136374
Net Profit (after tax, available for equity shareholders)	₹ in Lacs	11966.17	5670.64
BASIC EARNINGS PER SHARE	₹	49.58	23.49
No of Shares & Warrants at the beginning of the year		24136374	24136374
Total no. of equity shares and Warrants outstanding at the end of the year		24136374	24136374
Equity shares outstanding for 365/(366) days		24136374	24136374
Weighted average number of equity shares outstanding during the year		24136374	24136374
Net Profit (after tax, available for equity shareholders)	₹ in Lacs	11966.17	5670.64
DILUTED EARNINGS PER SHARE	₹	49.58	23.49

35. VALUE OF IMPORTS ON C.I.F. BASIS

(₹ in Lacs)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Raw Materials	37873.65	34954.48
Stock in Trade	3115.64	2344.58
Stores & Spare Parts	380.84	285.67
Capital Goods	1579.63	259.23
	42949.76	37843.96

36. EXPENDITURE IN FOREIGN CURRENCY

(₹ in Lacs)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Capital Expenditure	69.30	86.35
Revenue Expenditure	1835.84	1799.95
	1905.14	1886.30

37. EARNINGS IN FOREIGN CURRENCY

(₹ in Lacs)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
FOB Value of Exports	22440.83	16950.31

Notes on Consolidated Financial Statements
for the year ended 31st March, 2013

38. INFORMATION REGARDING MICRO, SMALL AND MEDIUM ENTERPRISES

As at 31st March, 2013, no supplier has intimated the Company about its status as Micro or Small enterprises or its registration with the appropriate authority under Micro, Small and Medium Enterprises Act, 2006. So, no disclosure is made. The Company has compiled this information based on the current information in its possession.

39. ACCOUNTS OF SUBSIDIARY COMPANIES

The accounts of the subsidiary companies are not attached herewith as the Board of Directors of the Company resolved to avail the general exemption granted by the Ministry of Corporate Affairs, Government of India vide its Circular no.2 / 2011 dated 8th February, 2011.

As per our annexed report of even date.

For **D. DHANDARIA & COMPANY**
Chartered Accountants
ICAI Firm Reg. No. **306147E**

(Dindayal Dhandaria)
Partner
Membership No. **10928**

Place : Kolkata
Dated : 29th May 2013

S P Mittal
Executive Chairman

Rajesh Mittal
Managing Director

K K Agarwal
Company Secretary

Susil Kumar Pal
Director

Financial Information of Subsidiary companies

as at 31st March, 2013

(₹ in Lacs)

Particulars	Greenlam Asia Pacific Pte. Ltd.*	Greenlam Asia Pacific (Thailand) Co., Ltd.**	Greenlam Holding Co., Ltd.**	PT.Greenlam Asia Pacific***	Greenlam America, Inc.****	Greenlam Europe (UK) Ltd.*****
Share Capital	1062.54	74.10	18.52	134.70	868.48	–
Reserve & Surplus	(44.06)	31.35	(4.69)	(20.24)	(908.07)	(18.46)
Total Assets	7851.97	840.07	39.32	118.05	1106.82	320.80
Total Liabilities	6833.49	734.62	25.49	3.59	1146.40	339.26
Investments (excluding Investments in Subsidiaries)	–	–	–	–	–	–
Turnover	13724.94	5923.96	–	48.98	4623.79	–
Profit before Taxation	27.73	105.51	(1.93)	(20.24)	374.54	(18.46)
Provisions for Taxation	33.31	23.12	–	–	–	–
Profit after Taxation	(5.58)	82.39	(1.93)	(20.24)	374.54	(18.46)
Proposed Dividend	–	–	–	–	–	–
Reporting Currency	SGD	THB	THB	IDR	USD	GBP
Country	Singapore	Thailand	Thailand	Indonesia	USA	UK

* Exchange rate as of 31st March, 2013 : ₹ 43.7143
** Exchange rate as of 31st March, 2013 : ₹ 1.8524
*** Exchange rate as of 31st March, 2013 : ₹ 0.01
**** Exchange rate as of 31st March, 2013 : ₹ 54.2800
***** Exchange rate as of 31st March, 2013 : ₹ 82.4242

S P Mittal
Executive Chairman

Rajesh Mittal
Managing Director

Place : Kolkata
Dated : 29th May 2013

K K Agarwal
Company Secretary

Susil Kumar Pal
Director

Statement Pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Companies

(₹ in Lacs)

Name of the Subsidiary Company	Greenlam Asia Pacific Pte. Ltd.	Greenlam Asia Pacific (Thailand) Co., Ltd.	Greenlam Holding Co., Ltd.	PT.Greenlam Asia Pacific	Greenlam America, Inc.	Greenlam Europe (UK) Ltd.
Date from which they become subsidiary	17th October, 2006	1st April, 2011	1st April, 2011	5th June, 2012	23rd April, 2008	19th September, 2012
Financial year of the subsidiary company ended on	31st March, 2013	31st March, 2013	31st March, 2013	31st March, 2013	31st March, 2013	31st March, 2013
Holding Company's interest as at March 31, 2013	100.00%	97.50%	99.00%	99.00%	100.00%	100.00%
Shares held by holding Company in the subsidiary	2430642 ordinary shares of S$ 1 each	N.A.	N.A.	N.A.	1600000 equity shares of US$ 1 each	1 equity shares of GBP 1 each
The net aggregate amount of the subsidiary company's profit/(loss) so far as it concerns the members of the holding company						
a) Not dealt with in the holding company's accounts						
i) For the financial year ended 31.03.2013 (₹ in lacs)	(5.58)	82.39	(1.93)	(20.24)	374.54	(18.46)
ii) Upto the previous financial years of the subsidiary company (₹ in lacs)	(38.48)	(51.04)	(2.76)	–	(1282.60)	–
b) Dealt with in the holding company's accounts						
i) For the financial year ended 31.03.2013	–	–	–	–	–	–
ii) For the previous financial year of the subsidiary company since they become the holding company's subsidiaries	–	–	–	–	–	–

S P Mittal
Executive Chairman

Rajesh Mittal
Managing Director

Place : Kolkata
Dated : 29th May 2013

K K Agarwal
Company Secretary

Susil Kumar Pal
Director

Corporate Information

Board of Directors

Mr. Shiv Prakash Mittal, Executive Chairman
Mr. Rajesh Mittal, Managing Director
Mr. Saurabh Mittal, Joint Managing Director & CEO
Mr. Shobhan Mittal, Executive Director
Mr. Moina Yometh Konyak
Mr. Susil Kumar Pal
Mr. Vinod Kumar Kothari
Mr. Anupam Kumar Mukerji
Mr. Upendra Nath Challu
Ms. Sonali Bhagwati Dalal

Audit Committee
Mr. Susil Kumar Pal, Chairman
Mr. Shiv Prakash Mittal
Mr. Anupam Kumar Mukerji
Mr. Vinod Kumar Kothari
Mr. Upendra Nath Challu

Share Transfer & Investors Grievance Committee
Mr. Anupam Kumar Mukerji, Chairman
Mr. Susil Kumar Pal
Mr. Rajesh Mittal
Mr. Saurabh Mittal

Remuneration Committee
Mr. Susil Kumar Pal, Chairman
Mr. Anupam Kumar Mukerji
Mr. Vinod Kumar Kothari

Operational Committee
Mr. Shiv Prakash Mittal
Mr. Rajesh Mittal
Mr. Saurabh Mittal
Mr. Susil Kumar Pal

Statutory Auditors
M/s. D. Dhandaria & Company
Thana Road, P.O. Tinsukia, Assam - 786 125

Chief Financial Officer
Mr. Vishwanathan Venkatramani

Company Secretary & Vice President-Legal
Mr. Kaushal Kumar Agarwal

Registrars & Share Transfer Agents
M/s. S. K. Infosolutions Pvt. Ltd.
34/1A, Sudhir Chatterjee Street, Kolkata – 700 006
Phone: (033) 2219-4815/6797
Fax: (033) 2219-4815

Bankers/financial institutions
Axis Bank Ltd.
Bank of Baroda
Export-Import Bank of India
ICICI Bank Ltd.
IDBI Bank Ltd.
IndusInd Bank Ltd.
Landesbank Baden-Wurttemberg
Standard Chartered Bank
State Bank of Hyderabad
State Bank of India

Registered Office
Makum Road, P.O. Tinsukia,
Assam - 786 125

Corporate Office
16A, Shakespeare Sarani, 2nd Floor
Kolkata - 700 071, India
Phone: (033) 3051-5000,2282-2175
Fax: (033) 3051-5010
Email: kolkata@greenply.com
Website: www.greenply.com

Units
Laminates & allied products
- Behror, Rajasthan
- Nalagarh, Himachal Pradesh

Plywood & allied products
- Tizit, Nagaland
- Kriparampur, West Bengal
- Bamanbore, Gujarat

Plywood & Reconstructed Veneers
- Pantnagar, Uttarakhand

Medium density fibreboard
- Pantnagar, Uttarakhand

Greenply Industries Limited

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