

# Building with the Right Tools



The Way Forward

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About Greenply

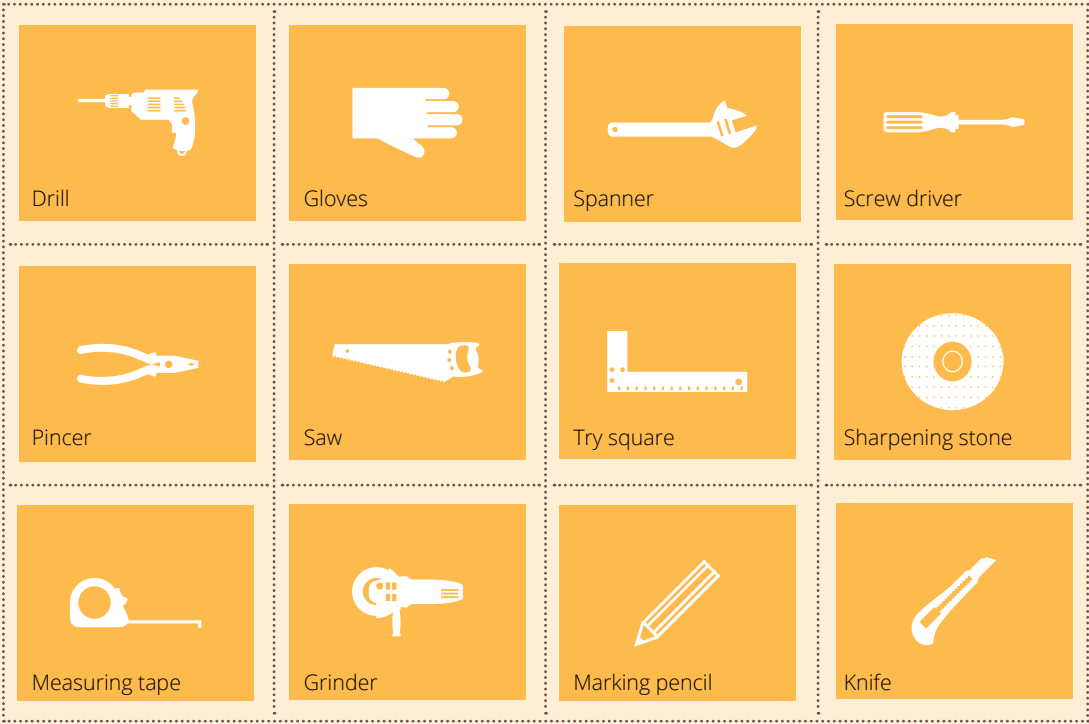
04	Built for the Long Term
06	Building Blocks of Excellence
08	Key Performance Indicators
10	Chairman's Communiqué
12	Our Journey so Far
14	Management Review
16	Ensuring Steady Raw Material Supply
20	Introducing Cutting-Edge Innovation
24	Shaping a Viable Future Blueprint
28	Creating a Unique Brand Experience
32	Business Responsibility

2 34-110  
Statutory Reports

34	Management Discussion and Analysis
58	Directors' Report
93	Corporate Governance Report

3 111-194  
Financial Statements

Standalone	
111	Independent Auditor's Report
116	Balance Sheet
117	Statement of Profit and Loss
118	Cash Flow Statement
120	Significant Accounting Policies
125	Notes on Financial Statements
Consolidated	
155	Independent Auditor's Report
158	Balance Sheet
159	Statement of Profit and Loss
160	Cash Flow Statement
162	Significant Accounting Policies
168	Notes on Financial Statements



What you are about to read now are the different tools that we have put in place to build a sustainably growing organisation.

We have chosen to showcase our initiatives through the use of carpentry tools, because building a company requires the same skills and precision that a carpenter uses to carve out a beautiful piece of furniture from a simple plywood or MDF sheet.

These tools enable our products to create value for customers. And help enrich their quality of life in more ways than one.



For the online version of this Annual Report and the previous ones please log on to [www.greenply.com/investors](http://www.greenply.com/investors)

Forward Looking Statement

In this Annual Report, we have disclosed forward looking information to enable investors to comprehend our prospects and take 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. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', '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 our assumptions. The achievements of results are subject 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. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

# What makes the Greenply story more exciting is the India growth story, which provides a proper context to it.

With the economy gradually gaining momentum and spurring aspirations for a better life, India is on a sure pathway to progress.

India has a huge young population. India has dreams to fulfil. India can hardly wait.

This reality will translate into unprecedented investments in infrastructure, education and skill building.

More people will also be encouraged to build homes and commercial spaces.

More consumers will demand global standards in products and services they buy.

More businesses will refresh and realign their strategies to cater to rising expectations.

**As the country's largest interior infrastructure company, we are equipped to play a bigger role in this remarkable story of transformation.**

# What you are holding in your hand is not just a record of our annual financial and operational performance for 2014-15.

It reflects our courage to think big and take bold decisions when the opportunity is ripe.

This is what we achieved during the year by translating broad strategies into action.

We implemented an innovative plywood making technology to drive quality excellence.

We expanded capacity and also introduced value-added products to leverage opportunities in the MDF space.

We strengthened our raw material security by proactive plantation activities.

We enhanced brand visibility through stronger pan-India distribution reach.

We focused on creating a strong portfolio of brands to gain higher market share from the unorganised segment.

These initiatives are part of our overarching agenda to build.

**We are building our Company with the right tools, technology and teamwork to continue to exceed customer expectations and sustain our industry leadership.**

# Built for the Long Term

From a very modest beginning over two decades ago, we have grown significantly over the years. In step with a thriving economy and an aspirational society. Today, we are India's largest interior infrastructure company with a turnover of over ₹ 1,500 crore, and a wide portfolio of Plywood and Medium-density Fibreboards (MDF). Our deep domain knowledge, strong brand presence and a well-entrenched distribution network have helped us evolve with changing times and cater to rising customer expectations.

## OUR VISION

Transform every house to a home

## OUR MISSION

Ensure on-time delivery of high-quality products

Create a cordial atmosphere within the organisation

Implement environmentally and socially considerate decisions for itself and the community

## OUR OFFERINGS



Plywood and allied products

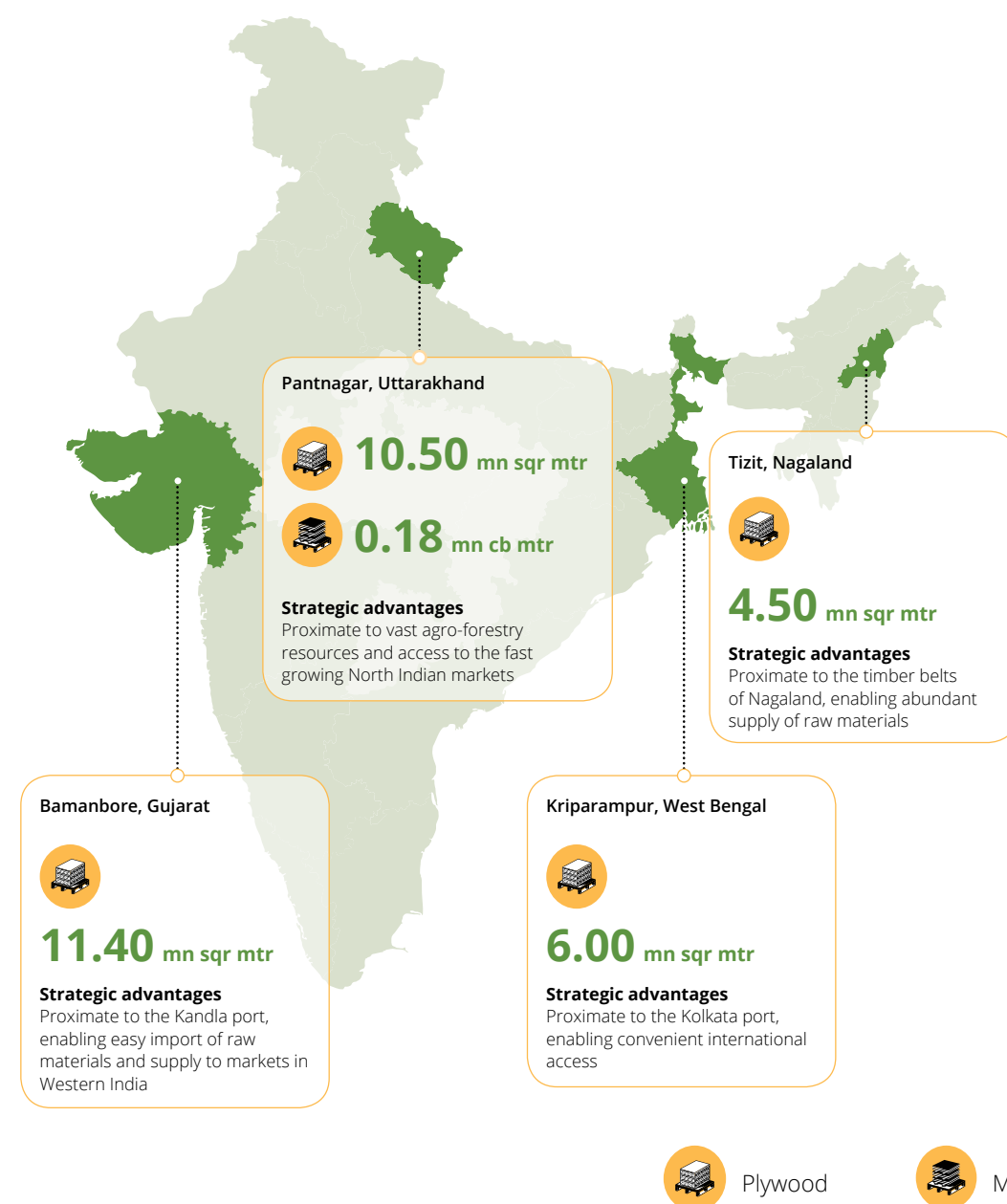


Medium Density Fibreboards (MDF)

## MAJOR RECOGNITIONS

- Awarded with the 'Dun & Bradstreet Corporate Awards 2015' in the Wood & Wood products sector. Dun & Bradstreet (D&B), the world's leading provider of global business information, knowledge and insight.
- Greenply's '25' campaign done by Ogilvy & Mather won the 'Olive Crown' Award.

## MANUFACTURING LOCATIONS



## DISTRIBUTION REACH

- Corporate office in Kolkata, West Bengal
- Serviced by 33 branches for plywood and 12 branches for MDF pan-India
- Distributor and stockist strength – Plywood (1,100) and MDF (450)
- Retailer network – Plywood (6,000) and MDF (4,000)

## SHAREHOLDER VALUE

- Promoters held 55% of the Company's equity
- Market capitalisation of ₹ 2,279 crore as on March 31, 2015 based on NSE price
- Announced dividend of ₹ 3 per share (Face value ₹ 5)



## Building Blocks of Excellence

**No. 1**

Interior infrastructure  
company in India

**30%**

Market share in the  
organised plywood  
market

**5**

State-of-the-art  
manufacturing facilities

**45**

Pan-India branches for  
plywood and MDF

**30%**

Market share in the domestic  
MDF market

**16+**

Cumulative plywood and  
MDF flagship brands

**21**

State presence

**300**

City reach

**32.4** mn sq mts

Cumulative plywood capacity

**0.18** mn cb mts

Medium Density  
Fibreboard capacity

**12,000**

Distributors, dealers,  
sub-dealers and retailers

**3,524**

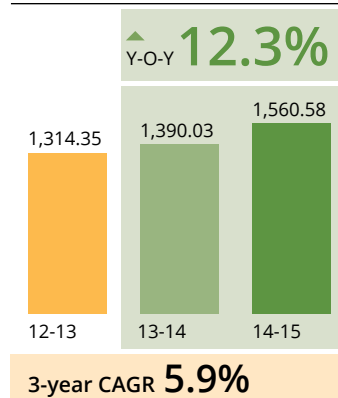
Motivated employees



# Key Performance Indicators

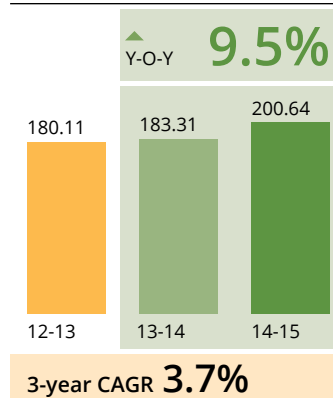
## Net sales

(₹ in crore)



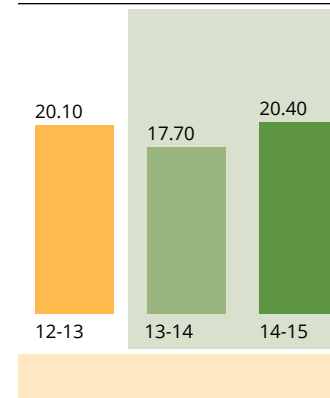
## EBIDTA

(₹ in crore)



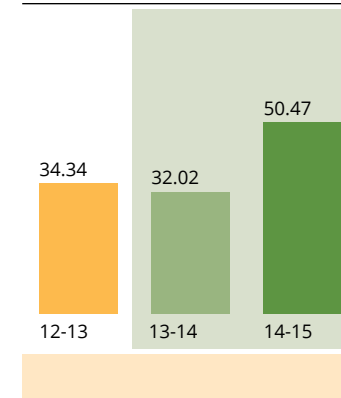
## Return on Capital Employed (ROCE)

(%)



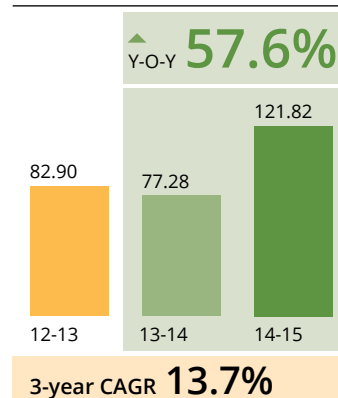
## Earnings per share

(₹)



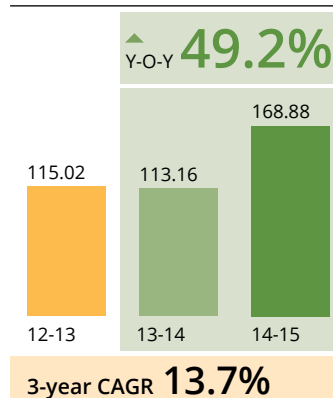
## Post-tax profit

(₹ in crore)



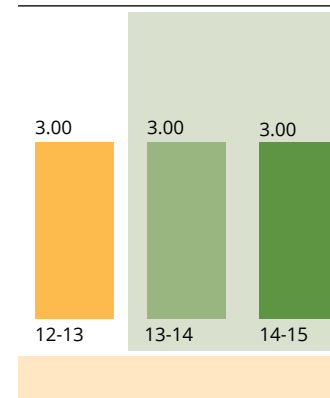
## Cash profit

(₹ in crore)

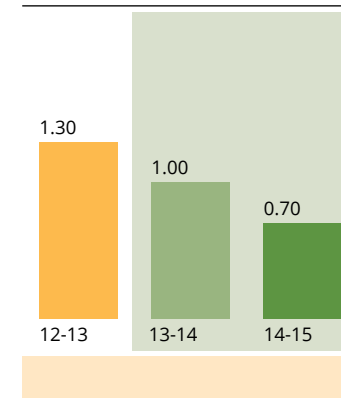


## Dividend per share

(₹)

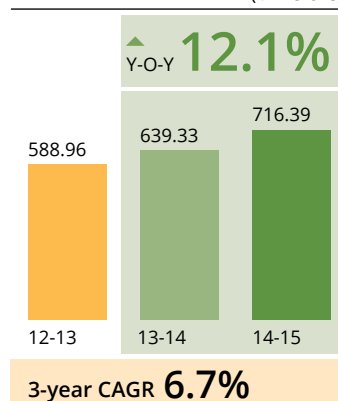


## Debt-equity ratio



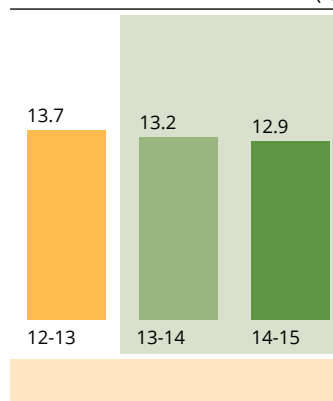
## Gross block

(₹ in crore)



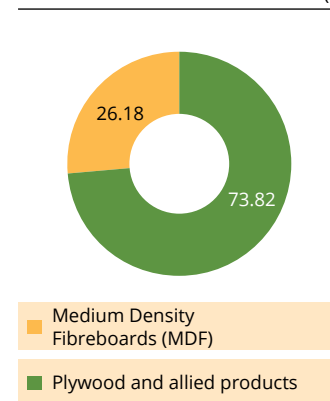
## EBIDTA margin

(%)



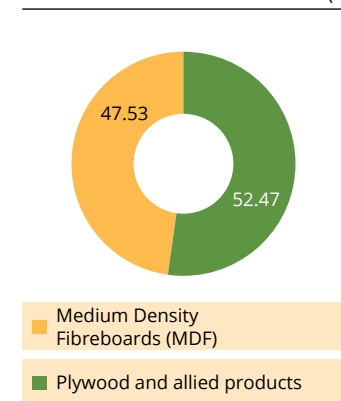
## Revenue by division

(%)



## EBITDA by division

(%)



# Chairman's Communique



Dear Shareholders,

**Last year, I had briefly mentioned about the fact that we are entering our second phase of growth. In the second phase, our objective is to sharpen our focus on the plywood and MDF businesses, both of which have a strong potential for growth. Therefore, we demerged the decorative business (comprising laminates and allied products) during the year.**

The demerger will have far-reaching consequences for our Company, so it is important to explain why we took the decision in greater detail. There are three reasons behind this. First, plywood and MDF are wood-based products, whereas laminates and decorative veneers are used as surfacing materials. Therefore, the entire operating architecture is different for the decorative business.

Second, both businesses require different sets of dealers, distributors and intermediaries. Plywood and MDF are sold primarily in the domestic markets, whereas laminates are sold both in domestic as well as international markets. Finally, both businesses need dedicated management focus and resource allocation in line with respective market trends

to enable diversification and expansion into new product portfolios for faster growth.

The demerger will bring greater simplicity and dynamism in our operations, and enable us to leverage emerging opportunities in the plywood-MDF space. The opportunity landscape is widening with the government's drive for industrialisation and urbanisation, and the economy is definitely on an upswing. The rollout of GST is expected to further facilitate a shift from unorganised to organised players. The ground realities may not have changed radically at this moment, but India's growth story is right on track. Such a scenario augurs well for our businesses, and we are excited to contribute towards an enriched quality of life for our citizens.

Do we have the capacities and capabilities to pursue our objective? My answer would be an emphatic 'yes'. We have emerged as the country's largest interior infrastructure company with extensive plywood and MDF capacities. Besides, we have a strong pan-India brand presence, integrated facilities and a well-entrenched distribution network. The demerger of the decorative business will further enable us to consolidate our strengths.

## ROBUST PERFORMANCE

We performed encouragingly during the year, registering a 12.3% and 57.6% growth in net sales and profitability, respectively. We achieved this on account of strengthened distribution, higher product offtake and a wider product portfolio of margin-accretive plywood and MDF products.

It is my firm belief that we have reached a stage in our corporate evolution, where we can confidently seek new avenues for growth. We plan to enter the business of wallpaper (different categories), which will be sourced from various overseas suppliers and marketed in India under our brand name. This is just the beginning; we will put in place more strategies to strengthen our revenue model.

## SUSTAINABILITY JOURNEY

We are building a sustainable business, based on the competence of our people. We invest in attracting, training and retaining the best industry talent, and we continuously encourage our teams to push their intellectual boundaries further. As we grow, we will need to nurture more people for leadership roles to take the business to the next level.

As a part of our sustainability strategy, we have created a specific department named Green Strategy Group (GSG). It will act as a nodal agency to promote and sustain green initiatives across the value chain of the organisation. We are also taking initiatives to help protect the environment by encouraging open communication, general environmental awareness and promotion of green community projects.

**WE PERFORMED ENCOURAGINGLY DURING THE YEAR, REGISTERING A 12.3% AND 57.6% GROWTH IN NET SALES AND PROFITABILITY, RESPECTIVELY.**

## COMMUNITY INITIATIVES

Community wellbeing is another area, which should be constantly on our radar. We are already active on the community front, but more emphasis is required. Our objective is to integrate business processes with community uplift.

We promote various rural development projects, encompassing education, healthcare, and empowerment of women. We run the 'Udayan Shalini Fellowship Programme' for deserving and talented girls from economically marginalised sections of the society. Our 'Rural Mother and Child Health and Hygiene Programme' is also aimed to enable health and hygiene awareness.

## BUILDING IT RIGHT

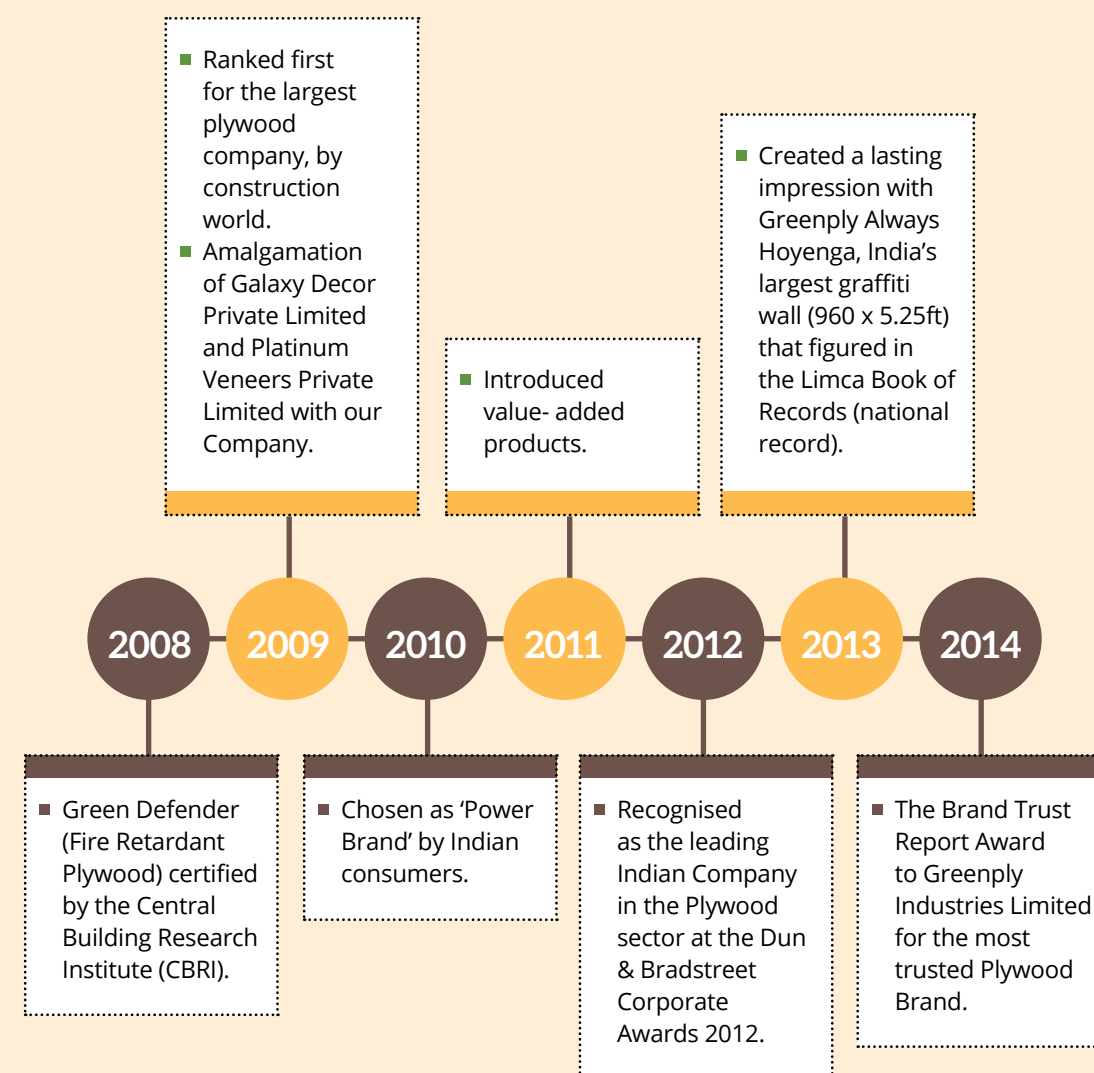
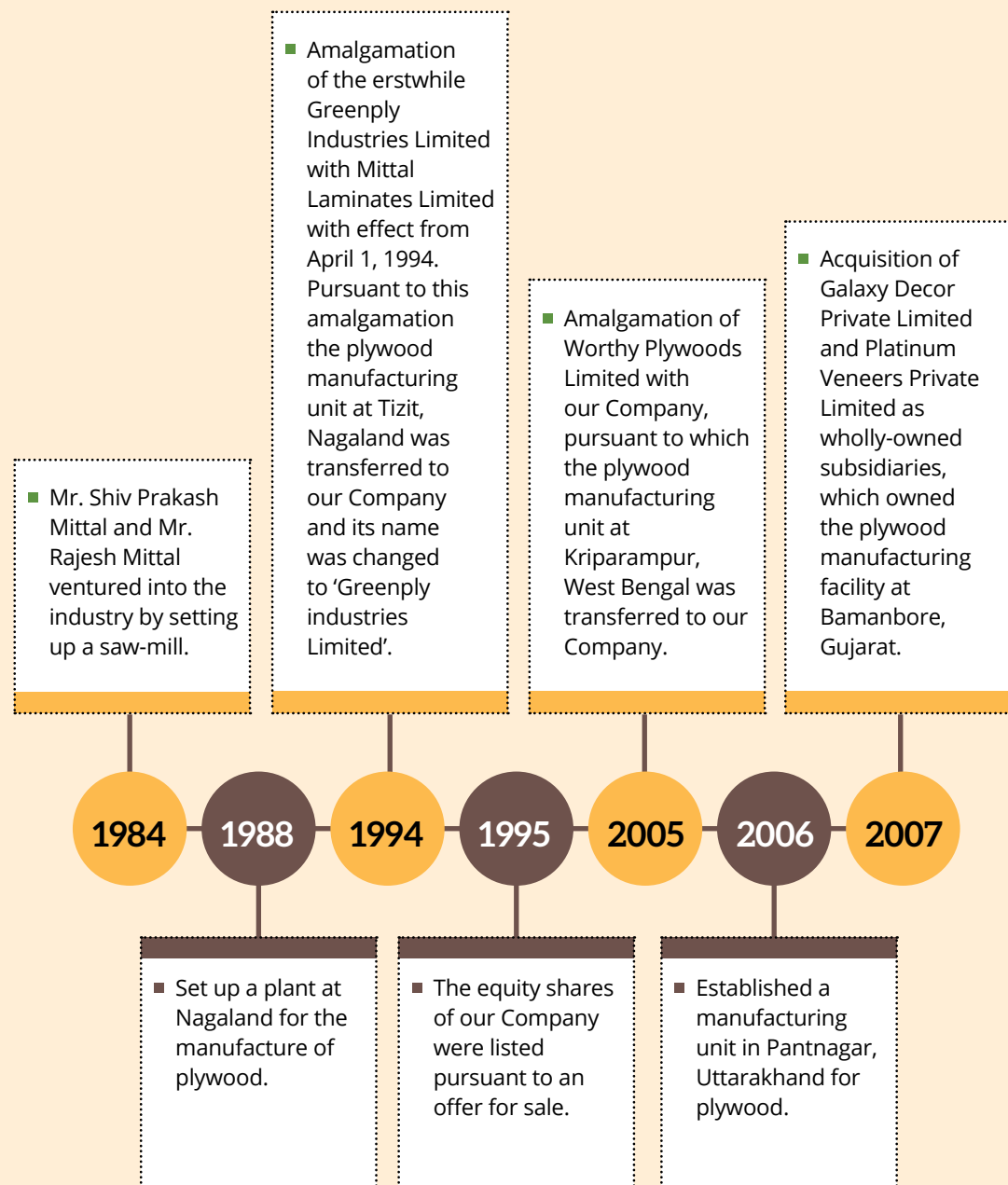
We are building Greenply in step with rapidly transforming India. High disposable income and the government's announcement to construct 100 smart cities will create further opportunities for us. The first lap of the journey is over. Now we need to run the second marathon with diligence and focus.

I seek the support of all stakeholders in making our progress enriching and rewarding.

Warm regards,

**S. P. Mittal**  
Executive Chairman  
(DIN: 00237242)

# Our Journey so Far



2015

- Greenply Industries Limited was honoured with the Dun & Bradstreet Manappuram Finance Limited Corporate Award in the Plywood Sector.



# Management Review

## Mr. Rajesh Mittal, Managing Director and Mr. Shobhan Mittal, Joint Managing Director and CEO, review the Company's performance and prospects.

### Dear Friends,

The financial year 2014-15 was both eventful and exciting at Greenply. Eventful because there were volatilities in the market and consumer demand was sluggish. Exciting because we delivered an encouraging financial and operating performance, despite challenges. We are now equipped to take our Company to the next level of growth and opportunity with renewed focus on our plywood and MDF businesses following the demerger.

### STEADY GROWTH

We achieved a net sales of ₹ 1,560.58 crore in 2014-15 (₹ 1,390.03 crore 2013-14). Our EBITDA stood at ₹ 200.64 crore in 2014-15 against ₹ 183.31 crore in 2013-14 and a net profit of ₹ 121.82 crore in 2014-15 against ₹ 77.28 crore in 2013-14. Our earnings per share stood at ₹ 50.47 for 2014-15 against ₹ 32.02 for 2013-14. The growth has been achieved mainly through market share gains from the unorganised segment. We believe, our proven quality, strong brand portfolio, and well-developed pan-India distribution network will help us sustain our growth momentum.

Our working capital cycle improved by four days to 52 days in 2014-15 on account of better inventory and debtor management. Moreover, we strengthened our net debt equity ratio to 0.7 as on March 31, 2015, as compared to 1.0 as on March 31, 2014.

**WE ARE NOW EQUIPPED TO TAKE OUR COMPANY TO THE NEXT LEVEL OF GROWTH AND OPPORTUNITY WITH RENEWED FOCUS ON OUR PLYWOOD AND MDF BUSINESSES FOLLOWING THE DEMERGER.**

Our plywood and allied products sales grew by 11.1% to ₹ 1,152.07 crore in 2014-15 from ₹ 1,037.30 crore in 2013-14 on account of new value-added products, strengthened penetration in semi urban regions and a volume growth of 34.29% in outsourced plywood sales. The division reported an EBITDA margin of 9.1% in 2014-15 and achieved an average capacity utilisation of 102% in 2014-15. Moreover, average realisation increased to ₹ 241 per square metre in 2014-15 from ₹ 222 per square metre in 2013-14.

For our plywood segment we are moving towards an asset-light model. Such a strategy will drive future growth through the outsourcing route, enabling higher ROCE. The mid-segment variants will be outsourced, freeing up existing capacities for premium product ranges. Moreover, we have deployed teams on vendor sites to monitor quality of inputs as a part of our commitment to quality excellence.

Our MDF sales grew by 15.8% to ₹ 408.51 crore in 2014-15 from ₹ 352.72 crore in 2013-14. The division reported an EBITDA margin of 23.3% in 2014-15. The division achieved an average capacity utilisation of 90% in 2014-15. Average realisations went down marginally by 1.2% as the division introduced new products in the economy range to further penetrate the cheap plywood segment. We expanded our MDF product range through the introduction of new value-added products like laminated flooring solutions under the brand Green Floormax. We also diversified into the economical MDF segment by launching Ecolite and Ultralite to compete with the unorganised plywood segment.

We invested significantly to modernise plants at all the plywood manufacturing units to conform to global operating standards, enhance

**WE ARE PLANNING TO RAMP UP CAPACITIES TO LEVERAGE MORE OPPORTUNITIES IN THE MDF SPACE. WE ARE SETTING UP A NEW PLANT AT CHITTOOR DISTRICT OF ANDHARA PRADESH WITH AN INSTALLED CAPACITY TO PRODUCE 1,200 CUBIC METRES OF MDF PER DAY FOR AN ESTIMATED INVESTMENT OF OVER ₹ 600 CRORE.**

efficiency and optimise costs. We also reduced fuel costs by operating at higher capacities and also through increased usage of agro-waste.

### RAW MATERIAL SECURITY

We have planned a long-term road to ensure sustainable raw material availability through farm/agro-forestry around all manufacturing units. We have planted over 3 million+ clonal saplings in 2014-15.

We have entered into a joint venture with a Singapore based company to control and run the veneer manufacturing facility in Myanmar through joint venture. The joint venture Company will, subject to necessary regulatory approvals, acquire & own 100% share of the Myanmar Company, which was incorporated as a wholly-owned-subsidiary of the Company for manufacturing of face veneer. Face veneer is a thin decorative covering of fine wood, applied to a coarser wood or other material. This ensured raw material availability for our domestic plywood units.

### NEW MDF PLANT

We are planning to ramp up capacities to leverage more opportunities in the MDF space. We are setting up a new plant at Chittoor district of Andhara Pradesh with an installed capacity to produce 1,200 cubic metres of MDF per day for an estimated investment of over ₹ 600 crore. Commercial production is likely to commence in FY 2019.

### STRENGTHENED IT ARCHITECTURE

We implemented SAP to ensure that each and every stage of our process, from procurement to sales is well integrated. We have fostered an alliance with Ariba for online tenders for the purchase of raw materials, stores and logistics contracts. We will also shift the purchase of capital goods into online tendering in the future. This will ensure seamless coordination and maximum efficiency for every rupee spent.

### FUTURE PRIORITIES

We are operating in a rapidly transforming society, where expectations are changing at a very fast pace. Therefore, we have developed a dynamic operating model that responds to customer aspirations with speed.

Our future priorities comprise the following:

- Focus on the rising demand from the real estate sector (residential and commercial)
- Expand our distributors and retailers network across semi urban and rural regions to capture a significant share of the unorganised market demand
- Increase pan-India brand visibility through proactive below the line (BTL) and above the line (ATL) activities
- Achieve better operating efficiencies with optimum capacity utilisation
- Improve mix of plywood and enter higher margin variants in MDF

Before we conclude, we would like to thank all stakeholders and the entire Greenply team for supporting our vision in all these years.

With regards,

**Rajesh Mittal**  
(DIN: 00240900)

**Shobhan Mittal**  
(DIN: 00347517)



# Ensuring steady raw material supply

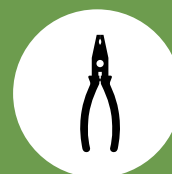
Consistent supply of quality raw materials is critical for long-term sustainability of our business. Therefore, we are promoting replenishable, large-scale clonal plantations of fast growing, short-rotation plywood species on marginal and degraded farm lands.



Enhancing focus and persistence



Handholding sustainable livelihoods



Minimising raw material availability risk





▶ Saplings ready for plantation

“My association with Greenply has been rewarding. We share a win-win relationship. I use saplings provided by Greenply to grow high-yielding plants that the Company subsequently uses to make plywood and MDF. All the best Greenply!”

A farmer



# 1 mn+

Clonal saplings developed and planted in 2014-15

We have put in place a long-term agenda to meet our raw material needs over the next ten years. We will do this through farm/ agro-forestry around all our manufacturing units on a sustainable basis. This will reduce dependence on overseas timber and bring down logistical costs incurred in the procurement of local timber.

We are focusing on more productive clonal seedlings. Hence, we have taken certain initiatives, which comprise the following:

- We will bring significant amount of land under plantation-cum-agro-forestry model across all our plant locations
- Started clonal propagation of melia dubia, in collaboration with Rain Forest Research Institute (RFRI), Jorhat (Assam) for higher yield; Melia dubia is an excellent raw material for plywood production
- Aimed to provide sustainable livelihood to many farmers through our timber plantation cum-agro-forestry model



▶ Nursery



▶ Nursery

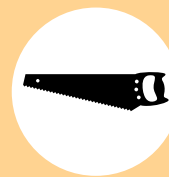
### Raw material security around manufacturing facilities

Plant location	Clones/saplings in 2014-15	
	Developed (in lacs)	Distributed/Planted (in lacs)
Pantnagar, Uttarakhand	9	5.5
Tizit, Nagaland	3	3
Bamanbore, Gujarat	-	1
Kriparampur, West Bengal	-	0.5



# Introducing cutting-edge innovation

Innovation at Greenply is about looking at the future differently. Our approach is simple: 'Why bow before conventions, when you can find a better way.' And this strategy has helped us redefine the way plywood is made, ensuring best-in-class product quality.



Facilitating cutting-edge innovation



Ensuring measurable value



Driving quality excellence





▶ Calibration of MAT

## Zero defect

### Plywood through MAT process

#### CHALLENGING CONVENTIONS

Plywood is a layered composite product made by surface joining of wood veneers (thin layer of slice peeled wood) by adhesive. Traditionally, plywood is made by laying veneer one above another with alternate layer at right angle to each other, in which wood grain of the surface layer runs along the length of the board. The layer across the face grain is glued (called the glue core). The assembly line is subjected to high pressure and usually high temperature in a mechanical device called hot press, which results in a flat sheet called plywood.

The traditional process produces plywood with many defects, which lead to problems in its end uses, such as blister, delamination, warpage and core gap.

We at Greenply have evolved an innovative and upgraded process for the manufacture of plywood called 'MAT Process'. It involves making

of an intermediate product called 'MAT', by pre-composing of veneer and pre-pressing. The salient features of the process include screening of defect-less veneer, repair of minor defects in MAT (if any), composing of veneer into glue and panel layer, composition of core composite, pre-press and hot press, thickness / surface levelling and repairing of core layer (MAT). The MAT is finally overlaid with surface layer (face veneer) in a hot press, provided with proper cushioning mechanism.

The advantage of MAT Process is that it produces 100% defect-free plywood.

“ I am a proud dealer of Greenply products for over 15 years. The consistent quality commitment that Greenply assures to its partners has enabled me to grow my business sustainably. ”

A dealer

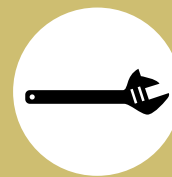


▶ Veneer Core Composer



# Shaping a viable future blueprint

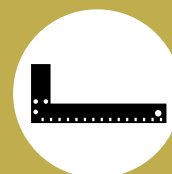
India's interior infrastructure industry is now gradually getting aligned to international preferences and standards. Eco-friendly engineered panel products like Medium Density Fibreboard (MDF) are primarily used to construct furniture and interiors in advanced countries of the world. In India, these products are now steadily gaining prominence in homes, factories and office spaces. The government is also encouraging the manufacture of engineered panels, considering the depleting supply of high-quality wood.



Formulating future-ready strategies



Achieving faster execution



Evaluating value derived





▶ Cooling Wheel for MDF

# 65% share

**Globally MDF commands about 65% share of wood-based products vis-a-vis approximately 10% in India.**

At Greenply, we believe that MDF is the furniture building material of the future. Therefore, we are commissioning a greenfield MDF plant at Chittoor, Andhra Pradesh with an installed capacity to produce 1,200 cubic metres of MDF per day. The project is expected to entail an estimated investment of over ₹ 600 crore. Commercial production is likely to commence in FY 2019.

## VALUE-ADDED MDF PRODUCTS

**Pre laminated MDF:** We have launched a wide range of pre-laminated MDF, which comes in a range of stylish decorative designs (colours, wood grains and textured finishes). Pre-laminated MDF offers maximum convenience and time saving, as it does not take much time to install. It is also easy to maintain, and is resistant to stains and scratches.



▶ Boxes of Laminated Flooring

“For my office interiors, I wanted something contemporary, a combination of elegance, functionality and cost-effectiveness. Greenply's MDF was the right choice, because it brings all the advantages I was looking for.”



An entrepreneur, MDF user

## Why MDF?



### FLAT AND DENSE

MDF is made of fine particles and hence its surface grain is not affected by paint. MDF also produces a smooth surface when painted, and can be drilled, cut, filed and machined without damaging its surfaces.



### VERSATILE USAGE

MDF can be used in various applications, such as shelves, decorative moulding, doors, furniture and laminated flooring.



### ECO-FRIENDLY

MDF is an eco-friendly product as the conversion ratio from wood to MDF is in excess of 90%.



### AFFORDABLE

MDF is a cost-effective solution for furniture making and home building.

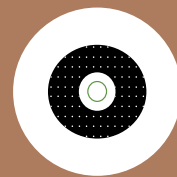
**Veneered MDF:** This product is a new introduction that offers the user dual advantage of a durable and eco-friendly substrate of MDF, with a flawlessly smooth decorative top. It reflects the natural beauty and elegance of fine wood in a range of designs. Like any other wood-based veneers, veneered MDF panels can be polished in matt, gloss or any other desired finish, to make it aesthetically appealing.

**Laminated flooring:** We launched laminated flooring solutions under the brand Green Floormax. Green Floormax wooden floors come in a wide variety of colours and textures that create an ambience like no other. The surface designs have been hand-picked in collaboration with renowned designers from Europe, and are crafted with a passion that reflects in the unique character of Green Floormax wood floors.

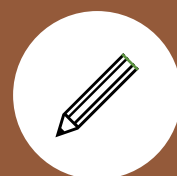


# Creating a unique brand experience

The Indian customer is now more integrated with the world. Therefore, the expectations around aesthetics, quality and durability are naturally rising like never before. In such a scenario, we are putting more emphasis on creating a strong portfolio of brands to gain market share from the unorganised segment.



Sharpening market focus



Charting a course to excellence



Deepening market penetration





▶ World Architecture Festival across multiple cities

### PLYWOOD MARKETING

#### Creating a buzz

We reassessed our go-to-market operations to make them more effective. We strengthened our relationships with the designer community through hosting of prestigious events across many cities, which attracted enthusiastic participation and acknowledgement from architects. Greenply brought the World Architecture Festival for the first time in India (across 15 cities) to showcase the best-in-global architectural design. This initiative was well appreciated both by trade media, as well as professional bodies, including academia. We are reaching more potential customers through television and radio commercials, outdoor advertising, kiosks, shop hoardings and posters, among others.

#### Wider and deeper

We are targeting deeper penetration in smaller cities and towns, with a population of over 100,000. On a pan-India basis, we have identified 250 such cities and towns, where we already have a 40% presence. We are

strengthening our dealer network to enhance visibility of our brands.

#### Way ahead

We will continue to strengthen and differentiate our brand to create pride of association for the architect, decorator, artisan, distributor, retailer, industry, media, technology associates and the end customer. There will be extensive use of knowledge tools to create differentiators for our brand in the future as well.

### MDF MARKETING

#### Green panelmax

- We initiated a robust BTL dominated marketing mix to ensure brand recall, highlight superior product features, responsiveness and target precise segments, with result oriented and cost-effective actions.
- We target existing and potential customers with information and promotions relevant to them.



▶ Touch of MDF in everyday life

- We focused on B2B product demos and sampling activities, aimed at carpenters, furniture makers in Tier II, Tier III cities and semi urban markets. Our objective is to impart knowhow about attributes, workability, applications and benefits of MDF.
- We distributed collaterals, in the form of product booklets, leaflets, catalogues for the VAP product line, merchandise and project for Open Source Media (POSM) to maximise response from the ground level workings.

#### Green Floormax

- We launched an exclusive range of wood floors, with 38 designs and technologies like Perma Click, Sonic Sponge and Max Shield, during this financial year.
- Our marketing strategy was subtle, and we geared towards gradual introduction of the product in the market, aligned with the preliminary assessment of the business model.

“Greenply has been a real friend in need. The products are easy to maintain, durable, and are aesthetically appealing. A reassuring reality for my clients.”

An architect



- Our core marketing objective was to create brand awareness and generate trials.
- We gave thrust on distribution strategy and product trial/sampling
- We focused on B2B (trade, projects and influencers like architects and interior decorators).
- We started a Strategic Communication Proposition: GO BARE (So irresistible floors that no one will like to put any furniture on it).
- We launched catalogues and sample kits (product trial/sampling), and released print ads in trade and business magazines. We also focused on POSM and retail branding, website and digital communication like emailers.



# Business Responsibility



▶ Promoting Education

As a part of our endeavour to engage with the larger stakeholder fraternity and drive social initiatives, we have identified certain key focus areas. These focus areas highlight our commitment as a responsible corporate citizen.



▶ Plantation of Fast Growing Trees

## FOCUS AREAS

- Promoting education among children and employment opportunities, especially among women, and the differently-abled
- Promoting healthcare, including preventive healthcare and sanitation and making available safe drinking water
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans
- Spearheading rural development projects

## KEY PROJECTS

In collaboration with Udayan Care, West Bengal, we run the Udayan Shalini Fellowship Programme. A unique academic excellence and personality development programme for deserving and talented girls from disadvantaged sections of the society, aiming to turn them into empowered and dignified women or 'Shalinis'. Its uniqueness lies in the fact that it is more than a usual scholarship programme. It not only supports higher education, but also provides regular mentoring and leadership development, inculcating a sense of social responsibility to the selected talented girls.

In association with Himalayan Institute Hospital Trust for its Rural Development Institute, we run a 'Rural Mother and Child Health and Hygiene Program' with an aim to:

- Undertake health needs assessment (including healthy home surveys);
- Build capacity of community health activists/workers, care givers for women's health and hygiene issues;
- Build a cadre of trained peer educators and counsellors for furthering health and development of adolescents and youth;
- Strengthen community ownership through capacity building and behavioural change communication;
- Introduce innovative 'Behavioural Change Communication' for enabling health and hygiene awareness and education (documenting local practices) in the nearby villages of Tizit, Nagaland;
- We also directly undertake healthcare and education related activities in the nearby villages of Tizit, Nagaland



# Management Discussion and Analysis



▶ UV lacquering line

## INDIAN ECONOMY

In 2014-15, the Indian economy grew at 7.4% (GDP at market prices). The landscape of its fiscal environment changed substantially. A number of reforms that were pro-growth were taken, policy initiatives were introduced by the new government; and micro-stability returned, ensuring steady growth.

### Indian GDP growth

Sectors	2013-14	2014-15*
Agriculture, forestry & fishing	3.7	1.1
Industry	4.5	5.9
Services	9.1	10.6
GDP at market prices	6.9	7.4

(Source: CSO \*Advance Estimates)

Falling oil prices aided in lowering current account deficit and inflation. With fiscal deficit at 3.1%, and current account deficit at 1.6% of GDP, India's macroeconomic fundamentals remained robust.

The nation's economic growth was shaped by its ability to attract FDI flows of US\$ 35 billion, an increase of 26% in 2014-15. The industrial sector, especially manufacturing, showed a positive growth. IIP was up by 2.8% for April-February 2015, as compared to the contraction of 0.1% in the same period of 2013-14. In addition, the government started the Pradhan Mantri Jan-Dhan Yojana to increase financial inclusion in India. It also introduced the 'Make in India' programme to boost sectors like manufacturing. These factors, given impetus

by rapid urbanisation and a mushrooming middle-class with high disposable income helped the economy grow in the last financial year.

## INDIAN FURNITURE INDUSTRY

The Asian market is estimated to be the biggest consumer of furniture and India holds a major pie, according to a World Bank study. The furniture industry witnesses demand for a wide range of furniture products, from designer or luxurious furniture to ready-made modular ones.

Rapid urbanisation, favourable demographics, increasing per capita income, nuclear families and rise of the middle class in India are some important demand drivers.

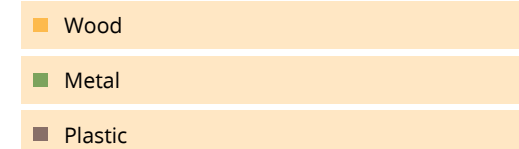
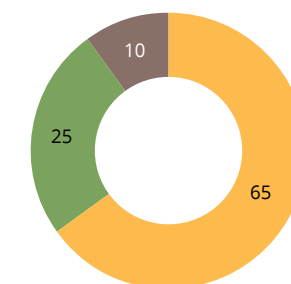
### Wood Panel Industry in India

The wood panel market comprises materials used in making furniture, such as plywood, medium density fibreboard (MDF), and decorative veneers. Plywood and MDF form the backbone material for furniture, whereas laminates and decorative veneers are surfacing products and are used for decorative purposes.

The Indian wood panel market is valued at ₹ 285 billion. Plywood has a share of 63% (₹ 180 billion). Tailwinds to this sector include higher disposable income; rising urbanisation; real estate sector's growth, particularly in Tier II and Tier III cities; and the fast growing replacement market. The government's 'Housing for all by 2022' policy gives further impetus to the plywood industry.

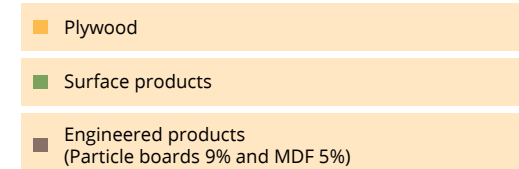
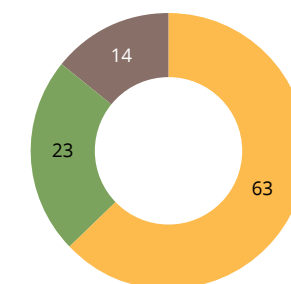
## RAPID URBANISATION, FAVOURABLE DEMOGRAPHICS, INCREASING PER CAPITA INCOME, NUCLEAR FAMILIES AND RISE OF THE MIDDLE CLASS IN INDIA ARE SOME IMPORTANT DEMAND DRIVERS.

## Raw material usage in Indian furniture industry



(Source: Spark Capital)

## Constituents of Indian wood market



(Source: Spark Capital and India Market Research, 2015)

### Plywood

The size of the Indian plywood industry stood at ₹ 180 billion. The industry comprises unorganised players, making up for 75% of the market share. Organised players command 25% or a ₹ 45 billion market share. The organised industry has been growing at 12-15% CAGR over the last few years.

Plywood is a manufactured wood panel made from thin sheets of wood veneer. To manufacture plywood, three critical raw materials are needed: face veneers, core/panel veneers and chemicals. The top and bottom layers of plywood utilise face veneers. Core and panel veneers form the intermediate layers.

Face veneer is imported predominantly from Myanmar. Core timber/veneer is available abundantly from domestic sources. Chemicals are imported or procured from domestic suppliers, depending upon price gaps between international and domestic prices.

The Plywood industry has grown at CAGR of 4-6% over the last five years. Big players have set up facilities overseas. They manufacture veneer, and export it to India. This ensures security of raw materials for big players, as they focus on brand visibility, quality, superior distribution and scale of operations to further gain market share.

Termite resistant plywood signifies a differentiated high-value offering. These high-quality products are being purchased by aspirational India. With unorganised players dominating the industry and GST implementation likely from 2016-17, there is a scope for branded players to narrow cost differential and capture market in the next few years.

### Medium density fibreboard (MDF)

The MDF market is worth ₹ 13 billion in India, growing at a CAGR of 15-20% over the last five years. MDF is engineered wood made from wood (fibres), glued together using heat, resin and pressure. It is also a superior substitute for cheap unorganised plywood. It also faces competition from imports. Demand in this sector is driven by ready-made modular furniture, modular kitchen, ready-to-move into offices/retail outlets, a need to substitute low quality plywood, affordability, increasing awareness of customers of better alternatives, and shortage of time. The Centre's hold on fresh licensing for the manufacture of plywood has led to increasing gap between demand and supply. This will increase the use of engineered panel products, which is a positive development for the MDF industry.

### Laminated flooring

Wooden flooring business in India is estimated over ₹ 150 billion in 2014-15. Market share of laminated flooring is around 80%, against other wooden flooring solutions. Moreover, share of wooden flooring in India is 2%, against the global standard of 38%, leaving ample scope for growth. The Indian wooden flooring market is expected to grow by 15% year-on-year. Reputed real estate builders have also started using laminated flooring, as designer tiles are expensive.

### Key trends

Indian manufacturers prefer to import timber in log form to supply to domestic furniture makers. Imports are mostly from Malaysia, Indonesia, Nigeria, Ivory Coast, Ghana, Togo, Gabon, Brazil, Panama, Costa Rica, Ecuador and New Zealand. The concept of industry-owned plantations of eucalyptus, poplar, casuarinas and acacia mangium is on rise. This is to help secure raw material—timber, besides conserving India's forest reserves and preventing illegal felling of trees. Most mid-sized and small wood buyers procure lumber and logs from wholesale markets. However, large construction projects and manufacturers purchase directly from wood manufacturers and importers.

Accelerated activity in several wood using sectors shall induce growth in the industry.

### GROWTH DRIVERS

#### Construction

The government aims to make India a world centre for construction equipment and manufacturing. Sustainability in construction is also a matter of concern. India's construction sector is valued at US\$ 157 billion in 2014, and is estimated to grow at 8-9% each year (Source: PwC, 2014). Growing urbanisation levels in India are fuelling an increase in construction activity.

#### Real Estate

Foreign direct investment (FDI) in the Indian real estate sector is expected to get a lift. The government's 'housing for all' initiative is driving Indian investment into housing. Real estate comprises residential and commercial buildings, and there is a growing focus on more complex realty projects. According to the



Boxes of Laminated Flooring

National Council for Applied Economic Research (NCAER), the middle class grew from 11 million households in 2001-02 to 31 million households in 2010-11. It is expected to reach 53 million in 2015-16. This middle class is demanding new homes, along with modifications in the existing interiors.

### Smart cities

India is building 100 smart cities to accommodate India's growing urban population and to boost development. Urban planning needs to leverage technology and optimise resources to improve quality of life and delivery of public services. Green and sustainable construction techniques are vital to the future of the industry across the world.

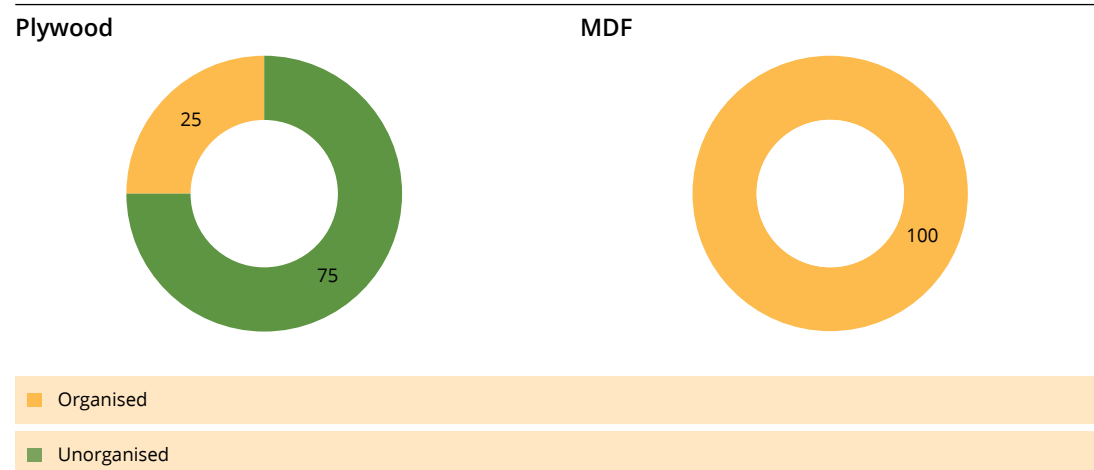
### Office/residential building

As FDI in real estate is relaxed, there is a burgeoning demand for office space. Office space supply in top eight Indian cities is expected to reach 180 million sq ft. during 2012-2016. Moreover, an increasing number of corporate offices, being set up in Tier II and Tier III cities, will drive demand for office furniture.

### Retail

Organised retailing grew to 10% of India's retail. Both domestic and international retailers provide impetus to the retail industry's growth. The Ministry of Commerce and Industry has

## Share of organised players in the market



(Source: Spark Capital and India Research, March 2015)



given approval for 100% FDI for multi-brand retail outlets. Organised retail is likely to grow at 40% per annum in India.

#### Hospitality

The hospitality segment in India is witnessing a robust demand growth, rising tourism business and leisure travel. This opportunity is being seized by hoteliers, and several hotel projects are in the pipeline. The demand for interior furniture is on rise. Hence, the demand for the wood industry is likely to grow as budget hotels, service apartments, spas and other niche centres get established.

#### Healthcare

India's healthcare sector is expected to grow from US\$ 78.6 billion in 2012 to US\$ 158.2 billion in 2017. Per capita healthcare expenditure is increasing at a CAGR of 10.3%, driving more construction in healthcare facilities, and demanding more furnishing products.

#### Others drivers

There are many drivers for the industry, such as:

- India's rising per capita income that grew from ₹ 80,388 in 2013-14 to ₹ 88,533 in 2014-15.
- India's young population with an average age of 24 years. This demographic segment has a higher disposable, and a desire for better lifestyle with stylish interiors.
- The likelihood of India to emerge as the world's largest middle class consumer market, by 2030, with an aggregate consumer spend of nearly US\$ 13 trillion.
- The rising number of nuclear families. This demographic segment has recorded a 70% growth. These usually comprise just one married couple, driving the need for quality housing.

#### OUTLOOK

A growing middle class in India seeks new wood products, especially in the sustainable green wood segment. Reconstituted wood products, such as plywood, and medium density fibre boards are likely to be used increasingly by real estate developers, furniture makers, railways and defence, among others. To ensure a profitable wood supply-chain, there is need for sufficient infrastructure and transport facilities. Another future event that will lead to an organised industry's growth is the implementation of GST. Innovations and use of technology shall help the wood industry to grow profitably, and leverage opportunities in the future.

#### ABOUT GREENPLY

Greenply Industries Limited, India's premier interior infrastructure company, manufactures, markets, distributes and brands plywood and medium density fibreboards. The Company enjoys a leadership position in this sector, accounting for almost 30% of the organised plywood and 30% of the MDF market in India.

It has four state-of-the-art manufacturing facilities for plywood and one facility for MDF, spread nationwide, and produces world-class wood panel products. The Company has a presence in over 300 cities across 21 states, serviced through a well-entrenched distribution network of 1,550 distributors, and 10,000 retailers, and 45 branches pan-India.

The Company is the preferred partner of choice for a large number of office and home builders. It has a comprehensive product portfolio of servicing clients under brand names of Greenply Plywood, Green Club Premium Ply, Optima Red, Ecotec, Green Panelmax and Green Floormax, among others. Its wide price range makes it one of most preferred brands.

#### BUSINESS SEGMENT REVIEW

### Plywood and allied products

₹ 1,152.07<sub>cr</sub>

Revenue in 2014-15

₹ 105.27<sub>cr</sub>

EBIDTA in 2014-15

₹ 77.00<sub>cr</sub>

Profit before tax  
in 2014-15

74%

Contribution to total  
revenue in 2014-15

102%

Capacity utilisation  
in 2014-15



▶ Marking of Finished Plywood

Greenply is a leading manufacturer of quality plywood and allied products in India. The Company has four operational plywood plants, with an annual cumulative capacity of 32.40 mn sq. mtr or 1,29,600 cubic mtrs. Greenply offers a range of excellent quality plywood, made from premium A+ grade timber. It further undergoes a rigorous five-stage manufacturing process to make it termite and borer resistant.

Made from 100% hard wood or Gurjan timber, Greenply plywood has high dimensional stability and is warp free. Moreover, all Greenply products are eco-friendly and emission free. It is the first company in India to introduce a lifetime guarantee in its premium products, Green Club and Green Club Plus Plywood.

#### Division strengths

- **Brand:** Most preferred plywood brand in India. Consistently growing brand recognition will grow brand leadership.
- **Scale:** Possesses one of the largest plywood making capacities of 32.40 mn sq mtrs across four plants.
- **Product range:** A well diversified product mix (across all price points) positions the Company to an advantageous position.
- **Raw material security:** All plants are located near raw material sources or port connectivity. The Nagaland and Uttarakhand plants are proximate to local timber resources. The West Bengal and Gujarat plants import wood/processed wood from Southeast Asia, Europe and Africa.
- **Presence:** Strategic manufacturing locations make it possible to supply products pan-India, saving transportation costs.
- **Quality:** It enjoys CE marking, which testifies that the product complies with quality and processes. This marking also provides access to Europe, without product adaptation or re-checking.
- **Regulated industry:** The Company enjoys a competitive advantage as the government has restricted the issue of new licenses in this segment, owing to environmental concerns.

- **Green company:** The Ecomark from BIS authorities and FSC certification reflects high social and environmental standards.

#### Highlights, 2014-15

- Achieved average capacity utilisation of 102% at the plywood manufacturing units.
- Enhanced sales from 44.5 mn sq.mtr in 2013-14 to 46.11 mn sq.mtr.
- Volumes in the outsourced segment grew by 34.29% from 9.80 mn sq mtrs in 2013-14 to 13.16 mn sq mtrs in 2014-15.
- Average realisation increased from ₹ 222 per sq. mtr in 2013-14 to ₹ 241 per sq. mtr.
- Launched several new products across various categories.
- Strengthened dealer relationships by reinforcing existing relationships, regular visits, handholding initiatives and knowledge sharing sessions.
- Penetrated the largely untapped rural market, and strengthened rural sales distributor base.
- Reinforced above the line (ATL) TV, radio, cinema, digital, print and below the line (BTL) promotional activities through sponsorships, exhibitions, discounts and coupons.
- Advertising and promotion expenditure witness 53% increase to ₹ 36.29 crore.
- Continued to air the 'Forever New' advertisement on the electronic media.

#### Road ahead

The resurgence in the economy and the government's focus on 'housing for all' by 2022, will help increase the demand for plywood. Increasing shift from unbranded to branded plywood is likely to benefit branded players in a big way, as 75% of the industry is still dominated by unorganised players.

#### BUSINESS SEGMENT REVIEW

### Medium Density Fibreboard (MDF)

₹ 408.51<sub>cr</sub>

Revenue in 2014-15

₹ 95.37<sub>cr</sub>

EBIDTA in 2014-15

26%

Contribution to total revenue in 2014-15

₹ 61.76<sub>cr</sub>

Profit before tax in 2014-15

90%

Capacity utilisation in 2014-15



▶ MDF Press Line



An alternative to plywood, medium density fibreboard (MDF) is an engineered wood product made from composite wood. MDF is a unique mix of durability, look, texture, richness and the feel of seasoned wood, with properties to replace solid timber. Greenply's MDF is marketed under the brand 'Green Panelmax'. The Company enjoys 30% share of domestic MDF market.

Green Panelmax MDF is a revolutionary product made with a unique fibre-interlocking technology, which leads to high bonding strength and rigidity. It is loaded with features, best suited for constructing strong and durable furniture and creating unique interiors.

MDF is used in a wide range of applications - panelling, furniture, door frames, handicraft, display or exhibition stands and signage, false ceilings, toys, carving and moulded panels, partitions, footwear industry and educational equipment.

#### Division strengths

- **Manufacturing capability:** The Company's MDF manufacturing facility at Pantnagar, Uttarakhand (180,000 CBM annual capacity) is the first-of-its-kind in India that incorporates the latest European technologies. This state-of-the-art manufacturing facility is also the country's largest and most technologically advanced plant in its category.
- **Product durability:** Greenply's MDF boards are made with advanced technology to offer tough resistance to all sorts of impact and wear and tear. The interlocking technology used in manufacturing leads to high bonding strength and greater rigidity.
- **Quality:** The Company has implemented stringent quality measures at every stage of the manufacturing process. This ensures smooth finish, superior machining characteristics, consistent quality and strength. The latest testing technology guarantees consistent surface density and thickness.

#### MDF IS USED IN A WIDE RANGE OF APPLICATIONS - PANELLING, FURNITURE, DOOR FRAMES, HANDICRAFT, DISPLAY OR EXHIBITION STANDS AND SIGNAGE, FALSE CEILINGS, TOYS, CARVING AND MOULDED PANELS, PARTITIONS, FOOTWEAR INDUSTRY AND EDUCATIONAL EQUIPMENT.

- **Raw material availability:** The Company's MDF unit is located in Pantnagar, proximate to agro-forestry resources like eucalyptus and poplar trees.
- **Eco-friendly:** The Company's MDF is produced from 100% renewable and sustainable wood. They are sourced from agro-forestry plantation trees that have a lifecycle of 3-4 years, causing no harm to forest.
- **Wide product range:** Greenply is the first manufacturer in India to offer such a vast range of MDF in a variety of thicknesses and sizes. The qualities are available in all its products, ranging from plain, pre-laminated and veneered Green Panelmax MDF board to plain and pre-laminated HDF.
- **Best building material:** The Company's MDF boards allow precise routing, machining and finishing techniques for a superior finish. Absence of latex makes it ideal for surface finishes, such as painting and polishing. Moreover, various chemical treatments make them termite, borer and fungus resistant.

#### Best-in-class technology

Greenply has invested in the latest technologies and machines to consistently deliver superior quality.

##### Front-end wood processing and chipping



**BruksKlockner**  
(Sweden)

##### Chips storage and conveying



**Trasmec**  
(Italy)

##### Fibre refining



**Metso**  
(Sweden)

##### Fibre drying



**Sunds MDF Technologies**  
(Finland)

##### Forming, press and raw board handling



**Dieffenbacher**  
(Germany)

##### 8 head sanding machines



**Steinemann**  
(Switzerland)

##### Panel sizing



**Giben**  
(Italy)

##### Multi fuel hybrid energy generation plant



**Thermax**  
(India)

##### Generation dust extraction/ fume absorption system



**Scheuch**  
(Austria)



### HIGHLIGHTS, 2014-15

- Capacity utilisation stood at 90% (76% in 2013-14).
- Increased production from 1,36,723 CBM in 2013-14 to 1,61,229 CBM.
- Average realisations stood at ₹ 25,238 per CBM, compared to ₹ 25,552 per CBM in the previous year due to introduction of new products in the economy range.
- Registered better volumes of premium offerings like pre-laminated MDF boards and exterior grade MDF boards.
- Extensive product range, catering to different sections addressed at countering cheaper plywood segment.

### LAMINATED FLOORING

During 2014-15, Greenply launched laminated flooring solutions under the brand Green Floormax. Floormax consists of four layers—backing, high-density fibre, decorative and protective over-layer. These layers help maintaining static temperature, making it favourable for human health.

Green Floormax is manufactured with the most advanced Pre Laminate technology, using the world's best short-cycle press by Wemhoner. The flooring grade design paper is imported by the world's best paper suppliers like Schatt décor, Lamigraf.

#### Highlights, 2014-15

- Registered a ₹ 9.53 crore revenue in its first year of operations
- Operated with 95 channel partners and expected to grow up to 150 by the next year
- Floormax is the only Indian brand to have a patented locking system from Unilin
- Green Floormax has 38 designs (18 premium and 20 classic shades)

#### Demand drivers

- **Durability:** Laminate flooring will last much longer than carpet or any other floor.
- **Price:** Low cost compared to real wood and designer tiles.
- **Style options:** Laminate flooring has more style options than any other flooring. Laminate can resemble classic hardwood, wide plank flooring or even ceramic tiles.
- **Dirt and cleanup:** Laminate is more resistant to liquid spills, and mud and grass stains.
- **Installation:** Laminate flooring is easier to install, but carpet usually requires professional installation.
- **Décor:** Laminate flooring, especially styles that resemble hardwood, are more versatile for interior decoration.

#### Road ahead

Moving ahead, the Company wants to grow the brand with support from channel partners. Wider product range, a stronger team and a greater distribution reach will further help its growth.



### FINANCE REVIEW

Greenply prepared its accounts under the historical cost convention method with generally accepted accounting principles (GAAP) as prescribed by the Institute of Chartered Accountants of India and as per the directives of the Companies Act, 2013.

#### Analysis of the statement of profit and loss

##### Performed creditably

Particulars	₹ in crore		
	2014-15	2013-14	Growth
Net Sales	1,560.58	1,390.03	12.3%
Earnings Before Interest Depreciation Taxes and Amortisation (EBIDTA)	200.64	183.31	9.5%
Cash profit	168.88	113.16	49.2%
Profit After Tax	121.82	77.28	57.6%
Earning Per Share (₹)	32.02	50.47	57.6%

The Company's net sales increased by 12.3% from ₹ 1,390.03 crore in 2013-14 to ₹ 1,560.58 crore in 2014-15, boosted by new product launches (both plywood and MDF), higher volumes in the outsourced plywood and increased market penetration.

##### Stable margins

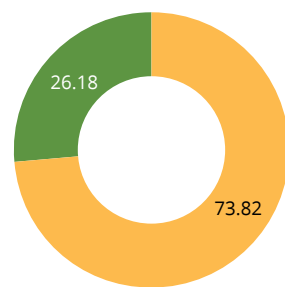
Particulars	%	
	2014-15	2013-14
Gross Margin	41.7	40.3
EBITDA Margin	12.9	13.2
Net Margin	7.8	5.6



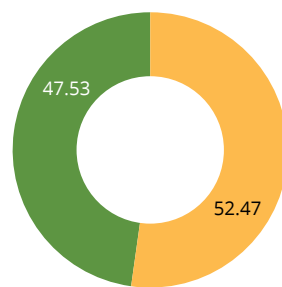
## Divisional performance

%

### Revenue by division



### EBITDA by division



■ Plywood and allied products

■ Medium Density Fibreboards (MDF)

### Plywood and allied products

Particulars	2014-15	2013-14	Growth
Net sales (₹ crore)	1,152.07	1,037.30	11.1%
EBITDA margin (%)	9.1	10.3	-
Production (million sqm.)	33.08	34.7	-
Sales volume (million sqm.)	46.11	44.5	3.6%
Utilisation (%)	102	107	-
Average realisation (₹/sqm.)	241	222	8.6%

The division's sustainable performance has been achieved mainly through market share gains from the unorganised segment. The Company believes that this will continue to bolster its strength and is reflection of a proven quality, strong brand portfolio, and a well-developed distribution network spread across the country.

### Medium Density Fibreboard (MDF)

Particulars	2014-15	2013-14	Growth
Net sales (₹ crore)	408.51	352.72	15.8%
EBITDA margin (%)	23.3	21.6	-
Production (cubic meter)	161,229	136,723	17.9%
Sales volume (cubic meter)	161,424	137,932	17.0%
Utilisation (%)	90	76	
Average realisation (₹/cubic meter)	25,238	25,552	(1.2%)

The Company's MDF business growth was attributed to higher capacity utilisations, increasing premium offerings like pre-laminated MDF boards, laminated flooring and exterior grade MDF boards that have contributed to our superior performance in the segment.

### Cost analysis

The Company's total operating costs increased by 12.21% from ₹ 1,253.38 crore in 2013-14 to ₹ 1,406.40 crore in 2014-15, owing to inflationary trend in key input costs and growing scale.

**Raw material:** Cost of raw materials increased marginally by 2.5% from ₹ 709.25 crore in 2013-14 to ₹ 726.83 crore in 2014-15, due to increased scale.

**People cost:** Human resource cost increased by 21.42% from ₹ 119.40 crore in 2013-14 to ₹ 144.98 crore in 2014-15 owing to enhancement in manpower.

**Financial cost:** There entailed a 4.62% decrease in financial expenses from ₹ 37.65 crore in 2013-14 to ₹ 35.91 crore in 2014-15 on account of reduced debt component.

**Depreciation:** 31.20% increase in depreciation from ₹ 35.87 crore in 2013-14 to ₹ 47.06 crore in 2014-15.

## Analysis of the Balance Sheet

### Sources of funds

Particulars	2014-15 (₹ crore)	% of capital employed	2013-14 (₹ crore)	% of capital employed
Equity share capital	12.07	1.41	12.07	1.51
Reserves and surplus	471.10	55.10	368.22	46.07
Net worth	483.17	56.51	380.29	47.58
Loan funds	331.53	38.78	375.81	47.02
Deferred tax liability	40.30	4.71	43.08	5.40
Capital employed	855.00	100.00	799.18	100.00

### Key ratios

Particulars	March 31, 2015	March 31, 2014
Return on Equity	25.2	20.3
Return on Capital Employed (Pre-Tax)	20.4	17.7
Return on Capital Employed (Post-Tax)	18.4	14.4
Net Debt / Equity (x)	0.7	1.0

(%)

**Capital employed:** The capital employed in the business increased by 6.98% from ₹ 799.18 crore as on March 31, 2014 to ₹ 855.00 crore as on March 31, 2015 due to increased scale of business.

**Net worth:** The Company's net worth increased by 27.05% from ₹ 380.29 crore as on March 31, 2014 to ₹ 483.17 crore as on March 31, 2015 owing to increase in reserves and surplus. Net worth, as a proportion of total capital employed, increased from 47.58% in 2013-14 to 56.51% in 2014-15.

**Equity:** The Company's equity comprised 24,136,374 equity shares with a face value of ₹ 5 per share. Promoters held a share of 55% in the Company as on March 31, 2015.

**Reserves:** Reserves (zero-cost fund) stood at ₹ 471.10 crore as on March 31, 2015 (₹ 368.22 crore as on March 31, 2014) largely due to a surplus plough back. The Company continued to retain a major part – more than 92% of the year's earnings – to fund future capex and working capital needs.

### External funds

The Company's loan portfolio declined by 11.78% from ₹ 375.81 crore as on March 31, 2014 to ₹ 331.53 crore as on March 31, 2015. The decrease in debt portfolio was on account of proactive pay off during the year. As a result, the debt-equity ratio moderated from 1.00 as on March 31, 2014 to 0.70 as on March 31, 2015.



The debt comprised secured loans, which decreased by 23.13% from ₹ 280.88 crore in 2013-14 to ₹ 215.81 crore in 2014-15. Unsecured loans increased from ₹ 94.94 crore in 2013-14 to ₹ 115.62 crore in 2014-15.

#### Application of funds

**Gross block:** The Company's gross block increased from ₹ 679.86 crore as on March 31, 2014 to ₹ 740.22 crore as on March 31, 2015. Accumulated depreciation as a proportion of gross block stood at 26% in 2014-15.

#### Efficiency ratios

Particulars	2014-15	2013-14
Inventory days	45	51
Debtor days	60	58
Creditor days	53	53
Working Capital turnover ratio	52	56
Current ratio	1.21	1.02
Quick ratio	0.81	0.61

**Cash-and-bank:** Cash-and-bank balances reduced marginally from ₹ 7.23 crore in 2013-14 to ₹ 7.19 crore in 2014-15

**Loans and advances:** Loans and advances increased by 16.4% from ₹ 95.50 crore in 2013-14 to ₹ 111.16 crore in 2014-15.

**Current liabilities:** Current liabilities decreased by 0.46% from ₹ 471.84 crore in 2013-14 to ₹ 469.68 crore in 2014-15.

#### Taxation

Greenply enjoys tax benefits at its manufacturing units in Nagaland and Uttarakhand (plywood and MDF units). The plywood facility in Nagaland enjoyed 100% corporate tax and excise exemption for 10 years. The Uttarakhand 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.

Total tax of the Company includes current tax and deferred tax. Total tax liability of the Company reduced from ₹ 26.39 crore in

**Capital work-in-progress:** The Company's capital work-in-progress declined by 91% from ₹ 26.60 crore in 2013-14 to ₹ 13.91 crore in 2014-15 due to completion of multiple expansion plans.

**Working capital:** Working capital requirement grew by 25.63% from ₹ 242.86 crore in 2013-14 to ₹ 305.10 crore in 2014-15.

2013-14 to ₹ 16.97 crore in 2014-15. The average tax rate for the Company stood at 12.23%.

#### Foreign exchange management

The Company's foreign exchange exposure of ₹ 251.44 crore – imports and exports - in 2014-15 resulted in a foreign exchange gain of ₹ 0.61 crore, as the Company continued its policy of taking forward cover for all foreign currency exposures on revenue account.

**A COMPANY NEEDS TO ATTRACT, DEVELOP AND RETAIN TALENTS TO ENSURE LONG-TERM GROWTH AND SUCCESS. IT HIRES TALENTED AND VALUE-DRIVEN PEOPLE TO ENSURE SUSTAINABLE GROWTH.**



▶ Motivational session by Dr. Pawan G. Agrawal

#### HUMAN RESOURCE

A company needs to attract, develop and retain talents to ensure long-term growth and success. It hires talented and value-driven people to ensure sustainable growth. At Greenply, people are the biggest assets. The Company has undertaken various knowledge sharing and training initiatives to sharpen and nurture their skills. Greenply is fostering a culture of ownership and rewards people for 'thinking out of the box' that gives encouragement to surge ahead of competition and to succeed.

#### Recruitment

The recruitment process was dovetailed with business targets by individual departments, leading to the identification of manpower needs and followed by proactive recruitment. During 2014-15, the Company added several new members.

#### Training and knowledge sharing

- **Green Edge - Skills to Surge:** Launched sales training workshops for ASM and aspiring ASMs across the country, to ensure uniformity of selling skills. This enhances effectiveness in selling and gives improved results.
- **Green Mantra:** Conducted organisational and product orientation programmes at the manufacturing units, for both new and existing members.
- **Erudition:** Initiated a knowledge transmission platform to act as a linking point amid knowledge seekers and transmitters. Through this platform, the Company aspires to spread awareness conversely and create future group of specialists. Branch trainings initiated a revision on products and processes.



▶ Green Glory League

- **So Conclave:** Organised orientation programmes for the business development team and frequent product touch points to keep them abreast on product knowledge.
- **KAT Boot Camp:** Initiated knowledge sharing on product refreshes, along with outbound experience with holistic management and learning.
- **Management Development Programme:** Cross functional leaders were nominated for programmes organised by IIMs, to acquire best practices, ideologies and approaches for individual growth and organisational betterment.

#### Motivation initiatives

- **Green glory league:** Organised annual employee meet with games, entertainment, rewards and learning programmes.
- **Loyalty Award:** Felicitated 108 employees for completing 5, 10, 15 and 20 years of association with Greenply.
- **Bank at your Doorstep:** Initiated an employee helpdesk, offering one-stop solutions for all pending bank work from office.

- **Festival celebration:** Celebrated various festivals round the year with gift distribution and employee engagement activities.
- **Women's Day celebration:** Celebrated Women's Day by acknowledging contribution of all women employees.

#### Other initiatives

Put in place a forum called 'Sahyog', where the employees can connect with the Company with their queries, grievances, ideas and suggestions.

#### Way forward

- **Balanced Scorecard:** Balanced scorecard defines what management means by 'performance', and measures taken to achieve desired results. Balanced scorecard translates targets and performance measures that can be quantified and appraised.
- **Back2Basics:** Monthly online product knowledge quiz to assess the required product training intervention, and craft required training programmes. The intent is to ensure that the sales force is aware of the product updates. This also helps evaluate their progress.



▶ Educating safety measures

- **Video conference:** Plan to implement video conferencing facility for frequent interactions between zones and branches, minimising travel to an extent.
- **Cross functional audit:** Quarterly/half-yearly integrated internal review mechanism, to ascertain departmental efficiencies to be initiated.
- **Employee satisfaction survey:** Employee engagement and satisfaction survey to be initiated, to gauge employee satisfaction.
- **Post Graduate Scholarship Programme (PGSP):** PGSP for managers and above through leading B-Schools. This would support employees in their skill enhancement and act as a retention tool for the organisation.

#### SAFETY HEALTH AND ENVIRONMENT

Greenply is responsible towards the society. The Company's efforts mirror its motive of creating a balance between business and community welfare. The Greenply Board of

Directors and management team is working together to operating ethically, demonstrating environmental responsibility engaging stakeholders and benefitting the communities.

#### Prevention and control of air pollution

Greenply is committed to implement state-of-the-art technologies to prevent air pollution. ESP (Electro Specific Precipitator) is installed in the plants to entrap the floating gas particles. It brings down the SPM level within prescribed limits of flue gas emissions through appropriate height stack.

Flue gas from small capacity boilers is passed through wet scrubber. It strips off the floating ash particles before emitting of the gas into the atmosphere through a chimney.

The manufacturing area is ventilated with natural draft ventilation, as well with forced draft ventilation for machines emitting hot gas.

#### Water Pollution Control

Plyboard manufacturing is a dry process except for floor wash / vessel wash from resin plants.



Blow down from boiler and floor wash from resin plant is mixed in equalisation tank for further chemical treatment in ETP.

Liquid effluent from de-fibrater of MDF plant is mainly residual wood fibre and dissolved lignin in steam condensate water.

Such effluent is screened to remove the suspended wood fibres, used as fuel in the boilers. The residual water is taken for chemical treatment in ETP. Sediment solids are dried in SDB and disposed as solid waste. The filtrate water is recycled as feed water for wet scrubber, as well as for gardening within the plant area and achieve zero discharge of contaminants from the plant.

#### **Hazardous solid waste management**

The solid waste generated from the plant is mainly wood ash from boilers. It is disposed as bio fertiliser for farming, as well as ground fills in the dump yard.

Other solid waste include dry sludge from the liquid effluent treatment plant. It is stored in an appropriate shed, in leak-proof containers. Then it is disposed through a contact arrangement, with a solid waste disposal dump yard agency.

#### **Noise pollution control**

Plyboard and MDF board manufacturing is relatively a silent process, except while chipping or peeling of wood. Adequate measures are implemented to restrict the spread of such noise by acoustic hood / enclosures. It provides mufflers for the operators. Plant buildings are well ventilated and a high roof is provided to eliminate echoes.

#### **Precautions against safety hazard**

A fire hydrant (external and internal hydrants) system is laid across the plant. It reaches the water jet in the plant area, in case of any eventuality.

### **HEALTH AND SAFETY OF EACH INDIVIDUAL WORKING WITHIN THE PLANT AREA IS A PRIME CONCERN OF THE MANAGEMENT. THEREFORE, APPROPRIATE PRECAUTIONS ARE TAKEN IN THE AREA IN ACCORDANCE TO SAFETY NORMS.**

Appropriate reserve storage of water for fire-fighting is maintained in RCC underground tanks.

The system operates as wet riser with an electric driven fire pump and jokey pump. Both the pumps are provided with diesel generating set power supply with an auto start system. It always keeps the system in operation.

In MDF plant, fire detection and extinguishing system is installed with means of automatic operation and control. The system comprises water sprinklers for the wood fibre handling and hot press, among other features.

Fire extinguishers that will fulfil the demand of the day are located at strategic locations for quick control. All electric panels are kept in a well-ventilated area. A structured preventive maintenance schedules are in place for upkeep of all electrical components. This is to avoid heat up of the same.

A fire-fighting squad is available at the plant all the time. It is trained for fire extinguishing techniques in the wood based industry.

Fire tender services are available in closely located fire stations of the industrial area, as part of facilities for protection in case of a major fire.

#### **Health safety measures**

Health and safety of each individual working within the plant area is a prime concern of the management. Therefore, appropriate precautions are taken in the area in accordance to safety norms.

The entire electrical panel's operation area is provided with rubber mats. This provides safety against electrical shock during operation / maintenance efforts. The rotating equipment is provided with safety fence / motor guards for human safety. All hot surface pipes / equipment are provided with appropriate insulation for human safety. Appropriate work platforms and ladders are provided for operation / maintenance of the components located at heights.

Precautionary sign boards are displayed at specific locations for awareness of the operation staff. Ear plugs, safety goggles, safety shoes, safety helmets, safety gloves, safety masks and safety gadgets (PPE), among others are provided to the staff.

First aid boxes are made available across the plant for the primary treatment of minor injuries. An ambulance is also available around the clock within the plant for the transfer of an injured worker in case of an emergency.

Group panel hospitals are designated for emergency service support to the work staff.

#### **INFORMATION TECHNOLOGY**

Information technology helps synchronise day-to-day operations. Greenply works on the SAP platform. All its plants are connected through this platform, ensuring better financial management, material management, production planning, plant maintenance and quality management.

### **TO ENHANCE THE EFFICIENCY OF SALES FORCE CUSTOMER RELATIONSHIP MANAGEMENT (CRM), INITIATIVES WERE TAKEN. THESE CRM INITIATIVES NOT ONLY ENHANCED THE CUSTOMER RELATIONSHIP BUT ALSO MAXIMISED THE EFFECTIVENESS OF THE COMPANY'S SALES FORCE.**

Post demerger, information technology was established as a centralised function for both divisions for better integration and synergy.

To enhance the efficiency of sales force Customer Relationship Management (CRM), initiatives were taken. These CRM initiatives not only enhanced the customer relationship but also maximised the effectiveness of the Company's sales force. It became a critical component for the Company for its ability to directly link to its customers.

The Company has moved the mail server to cloud, offering greater scalability and flexibility than server-based email. The Company invested in SAP HANA to build a sustainable IT platform for future growth. This would facilitate access to real-time information for faster operations. The Company also invested in business intelligence infrastructure for better and faster decision-making.

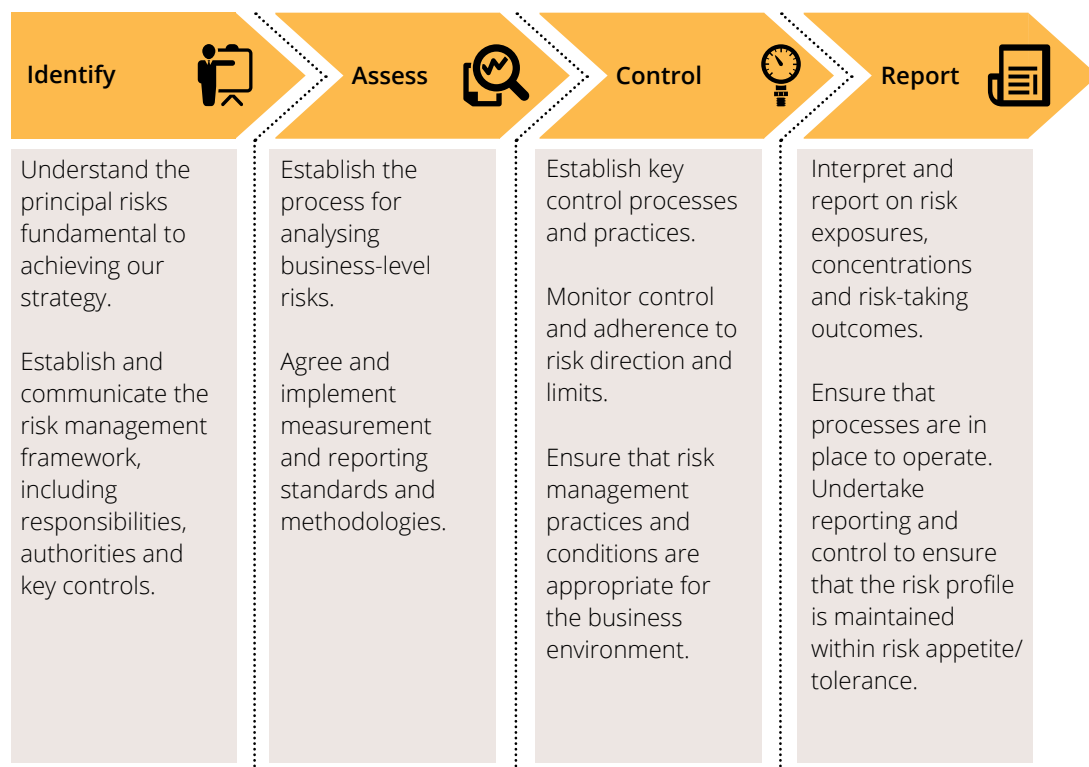
Greenply plans to start a video conferencing platform across all locations to accelerate communication and reduce travelling expenses.



### RISK MANAGEMENT AND CONTROL

The Company's risk management policy stems from a philosophy of pursuing sustainable growth and creating economic value, while calibrating and mitigating risks. It is integral to how we plan and execute business strategies.

#### Risk management process at Greenply



Plywood and medium-density fibreboard (MDF) find versatile use in furniture and home building sectors than any other forms of man-made fibre. A combination of expanding economy, rising purchasing power, growing middle class and wider applications reflect sustainable market growth in the future.

#### Downturn in the economic condition that might affect the Company's performance.

##### Strategic response

- The Indian economy grew from 6.9% in 2013-14 to 7.4% in 2014-15, indicating a steady growth in the economic condition.
- India's per capita income grew from ₹ 80,388 in 2013-14 to ₹ 88,533 in 2014-15, which is a 37.6% income growth.
- The Company is present in two business verticals – plywood and MDF, making for a diverse income portfolio.

#### The business may cease to remain attractive due to the de-growth in the downstream industry.

##### Strategic response

- The Indian real estate sector has noticed high growth in recent times. With the rise in demand for office spaces, as well as residential spaces, the sector has been the second most active sector. The market size is expected to reach to a market of US\$ 180 billion by 2020.
- To accommodate the rapid urbanisation, the Government of India has allotted ₹ 6,000 crore for building 100 smart cities, and to develop infrastructure in another 500 cities.
- Middle-class India shall drive new homes and modify existing interiors, auguring well for Greenply.
- The net worth of HNIs in India is expected to increase from ₹ 45 trillion in 2010-11 to ₹ 235 trillion in 2015-16. HNIs use a fifth of their earnings for investments, of which 37% is in real estate, demanding premium housing and housing products.

- Realty boom in cities like Bhopal, Bhubaneswar, Coimbatore, Indore, Jaipur, Lucknow, Surat, Vadodara and Visakhapatnam is expected to add over 354 million square feet of residential space in 3 years, and increase business prospects for Greenply.

#### Competition from the unorganised players might result in a decline in profitability.

##### Strategic response

- Greenply enjoys 30% of the organised plywood market, and 30% of the MDF market in the country.
- Constant communication of the Company with its interior designers, architects, carpenters, contractors and retailers, fortify strong brand recall.
- Greenply operates in segments, where the government manages the grant of new licenses for manufacturing of wood-based products.
- Consistent innovation in new product development and value-added products across two divisions is consistently increasing the Company's prominence.

#### Growing competition from peers could dent realisations.

##### Strategic response

- The Company has invested in technologies and equipment to enable optimum utilisation of resources and reduce production costs.
- Average realisations grew for both plywood and MDF divisions.
- Increased average realisations through re-engineering and superior service.
- Reinforced itself as one of the lowest cost producers in both plywood and MDF.
- Enhanced value-added products for existing and new clients.





**Disagreement with environmental criterion could dampen brand name.**

**Strategic response**

- The Company dispenses high-yielding saplings to reduce greenery loss, and secure future raw material needs.
- The Company's cohesion to the highest social and environmental standards secured the FSC certification.

**Divergence from quality standards could lead to attrition among buyers.**

**Strategic response**

- The Company invested in world-class manufacturing technologies from best-in-class global technology providers.
- The Company's plywood is made from premium A+ grade timber which undergoes a rigorous five-stage manufacturing process to make it termite and borer resistant.

- The Company's unique MDF fibre-interlocking technology leads to high bonding strength and rigidity. It is loaded with features, which are best suited for constructing strong and durable furniture, and creating unique interiors.

**Inability to address evolving customer needs may reduce the market share.**

**Strategic response**

- The Company is present across 21 states, with a pan-India marketing network and over 45 marketing offices (covering 300 cities) and over 12,000 influencers like dealers, distributors, interior designers and retailers.
- The Company offers one of the largest ranges of interior infrastructure products (plywood and MDF).
- The Company makes consistent product launches and widens choice.

- The Company introduced a laminated product range in MDF, enhancing value proposition.

**Due to increased market competition, the Company's brand might lose its visibility.**

**Strategic response**

- During 2014-15, the Company invested ₹ 43.11 crore in brand building.
- Proactive advertisement initiatives across various media (outdoor, print and electronic), to enhance visibility and brand image.
- The Company focused on a 360-degree brand building exercise, comprising successful promotional drive, and engaging customers across multiple points. This resulted in an integrated communication approach.

**Failure to control costs of key inputs could hamper the Company's growth.**

**Strategic response**

- Enjoyed economies of scale in the procurement of raw materials and consumables.
- Maintained adequate raw material inventory to ensure seamless operations.
- Strengthened raw material sources by adding several new vendors.
- Entered into long-term contracts with critical input vendors for uninterrupted supply.
- Undertook a plantation drive across plant locations with high yielding clones, ensuring raw material security.

**Lack of funds could shake the daily operations, affecting business performance.**

**Strategic response**

- The Company remains adequately funded in terms of its working capital requirements through a consortium of six banks.
- Greenply enjoyed a comfortable debt-equity ratio of 0.7 at the close of 2014-15, as against 1.0 in the previous year, 2013-14.
- Consistent profit plough-back policy provided liquidity to enhance growth.
- Continuous initiatives were taken to reduce debtor cycle and strengthen cycle to further optimise use of working capital.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has in place robust internal control procedures commensurate with its size and operations. The Board of Directors, responsible for the internal control system, sets the guidelines, verifying its adequacy, effectiveness and application. The Company's internal control system is designed to ensure management efficiency, measurability and verifiability, reliability of accounting and management information, compliance with all applicable laws and regulations, and the protection of the Company's assets. This is to timely identify and manage the Company's risks (operational, compliance-related, economic and financial).

# Directors’ Report

To  
The Members,

Your Directors have pleasure in presenting their 25th Annual Report on the business and operations of the Company along with the Audited Accounts of the Company for the Financial Year ended March 31, 2015.

## FINANCIAL HIGHLIGHTS

The financial performance of your Company, for the year ended March 31, 2015 is summarized below:

Particulars	2014-15		2013-14	
	Standalone	Consolidated	Standalone	Consolidated
Turnover	156058.41	156058.41	215802.05	221511.49
Profit before finance charges, Tax, Depreciation/Amortization (PBITDA)	20600.48	20841.69	26523.72	27257.93
Less : Finance Charges	3591.30	3591.30	5829.46	6017.22
Profit before Depreciation/Amortization (PBTDA)	17009.18	17250.39	20694.26	21240.71
Less : Depreciation	4706.11	4706.11	5756.86	5957.22
Net Profit before Exceptional Item and Taxation	12303.07	12544.28	14937.40	15283.49
Exceptional Items – Loss/(Gain)	(1575.53)	(1575.53)	-	-
Net Profit before Taxation (PBT)	13878.60	14119.81	14937.40	15283.49
Provision for taxation	1696.87	1696.87	3490.73	3525.70
Minority Interest	-	-	-	0.55
Profit/(Loss) after Taxation (PAT)	12181.73	12422.94	11446.67	11757.24
Provision for proposed dividend	724.09	724.09	724.09	724.09
Dividend tax	147.41	147.41	123.06	123.06
Transfer to General Reserve	6500.00	6500.00	1400.00	1400.00

## RESULT OF OPERATIONS AND THE STATE OF COMPANY’S AFFAIRS

During the year under review, your Company posted a stable performance with revenue of ₹ 156425.04 lacs. Profit for the year 2014-15 was ₹ 12181.73 lacs.

Exports during the year 2014-15 was ₹ 586.71 lacs. The Company is trying to locate new export markets for its products and see good potential for growth in the exports business. As per the consolidated financial statements, the revenue from operation and profit for the year 2014-

15 were ₹ 156425.04 lacs and ₹ 12422.94 lacs respectively.

In respect of manufacture of new value added products in the Company's existing MDF Unit at Pantnagar, Uttarakhand, your Company has started commercial production of ‘laminated wooden flooring’.

Your Company is the preferred partner of choice for a large number of office and home builders. It has a comprehensive product portfolio of servicing clients under its various brands. Your

company also focused on the value added products to improve margin.

During 2014-15, your Company continued its efforts in the area of product integration and deeper market penetration. Your Company is present across different price points to cater to all customers across the high-end, mid-market and value-for-money segments.

## OUTLOOK AND EXPANSION

The Company's outlook remains favourable on account of its product integration capabilities, increasing brand visibility and the continuous support from its stakeholders. The Company's pan-India distribution network ensures easy availability of products in almost every part of India. With the emerging positive sentiment in the market-place owing to conducive investment climate the product categories in which the organization is currently operating will see healthy growth in the coming years. Greenply is currently operating primarily in the structural sphere of interior infrastructure domain with almost all the products in its basket catering to the structural needs of the customers.

A growing middle class in India seeks new wood products, especially in the sustainable green wood segment. Reconstituted wood products, such as plywood, board, particleboard and medium density fibreboards are likely to be used increasingly by consumers, real estate developers, furniture makers, railways and defence, among others. Innovations and use of technology shall help the wood industry to grow profitably, and leverage opportunities in the future.

Strong growth trends in the housing and real estate sectors makes us believe that the organization can reap further benefits in form of sustainable revenue growth and improved profitability by exploring diversification opportunities in areas where a latent but high potential demand is present.

In respect of setting-up of the new MDF Unit in Andhra Pradesh, necessary steps are being taken to obtain various statutory approvals/licenses and technical discussions are in progress with various agencies to set up the unit. Further, in respect of manufacture of new value added products in the Company's existing MDF Unit at Pantnagar, Uttarakhand, the civil construction work and installation of machineries have been completed for the new production lines of UV Coated Panels and the trial production is in process.

Your Company has decided to start new business venture of trading in wallpaper of different categories to be sourced from various overseas suppliers and marketed in India under the Company's brand. Indian wallpaper market is currently estimated to be worth ₹ 800 Crores growing at a CAGR of 20%. Retail segment constitutes 46% of the total market size and the balance 54% comes from sales in the Institutional segment. Globally, wallpapers have emerged as a strong substitute for textured paints.

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

## SUBSIDIARIES AND JOINT VENTURE

The Company had incorporated a subsidiary viz. Greenply Industries (Myanmar) Pvt. Ltd. in Myanmar and obtained approval of the Myanmar Investment Commission to set-up a veneer or veneer cum plywood unit. Greenply Industries (Myanmar) Pvt. Ltd. has commenced commercial production of “Commercial Veneers”. Further, GREENPLY ALKEMAL (SINGAPORE) PTE. LTD. (a joint venture company of Greenply Industries Limited, India and Alkema Singapore Pte. Ltd., Singapore) was incorporated on 14.05.2014 as a Private Limited Company in Singapore. The said Joint Venture Company is equally owned (50:50 investments owned directly or through subsidiary/ affiliates) by Greenply Industries Limited and Alkema Singapore Pte. Limited. The Joint Venture



Company has started its business and subject to necessary regulatory approvals, will acquire and own 100% share of Greenply Industries (Myanmar) Pvt. Ltd. Company's wholly owned subsidiary. Greenply Trading Pte. Ltd., Singapore was incorporated with an objective to carry on the business of manufacturing and trading of Plywood, veneers, MDF, wooden flooring & allied products and investments in companies manufacturing and trading said products. The Company is exploring market for trading of Plywood, veneers, MDF, wooden flooring & allied products through its wholly owned subsidiary, Greenply Trading Pte. Ltd., Singapore.

### CHANGE(S) IN THE NATURE OF BUSINESS AND COMPOSITE SCHEME OF ARRANGEMENT

During the year under review, the Hon'ble Gauhati High Court has, on October 31, 2014, approved the composite Scheme of Arrangement under Sections 100 to 104 and 391 to 394 of the Companies Act, 1956 between Greenply Industries Limited ("Greenply") and Greenlam Industries Limited ("Greenlam") and their respective shareholders and creditors, for demerger of the Decorative Business (comprising of Laminates and Allied Products) of Greenply with all its assets and liabilities, into Greenlam with effect from April 01, 2013 (Appointed Date). The Scheme was effective w.e.f. November 17, 2014 i.e. the date of filing of the certified copy of the order of the Hon'ble Gauhati High Court with the Registrar of Companies, Shillong. Consequent to the scheme becoming effective, shareholders of Greenply Industries Limited were allotted one fully paid up equity share of ₹ 5 each of Greenlam Industries Limited for every one equity share held by them in the Company as on the record date i.e., 27th November, 2014. Further, the existing equity capital of Greenlam Industries Limited which was fully held by

### CREDIT RATING

The Credit Analysis and Research Ltd. (CARE) has reaffirmed and removed from credit watch the following credit rating(s) of the Company:

Rating Agency	Instrument	Rating
CARE	Banking Facilities – Long Term	CARE A
CARE	Banking Facilities – Short Term	CARE A1
CARE	Short Term Debt (including Commercial Paper)	CARE A1

Greenply Industries Limited was cancelled and Greenlam Industries Limited has ceased to be a subsidiary of the Company.

Pursuant to the said Scheme, overseas subsidiaries viz. Greenlam Asia Pacific Pte. Ltd., Singapore, Greenlam America, Inc., USA, Greenlam Asia Pacific (Thailand) Co., Ltd., Thailand, Greenlam Holding Co., Ltd., Thailand, PT. Greenlam Asia Pacific, Indonesia and Greenlam Europe (UK) Ltd., UK. and Indian subsidiary viz. Greenlam VT Industries Pvt. Ltd. were transferred to Greenlam Industries Limited and have ceased to be subsidiaries of the Company.

### CONSOLIDATED FINANCIAL STATEMENTS

For the period under review, the Company has consolidated its subsidiary viz., Greenply Trading Pte. Ltd., Singapore. The financial statements of the Company's Wholly owned subsidiary Greenply Industries (Myanmar) Pvt. Ltd., Myanmar has not been considered for consolidation in the current year since the control over the same is intended to be temporary and held exclusively with a view to its subsequent disposal in the near future. In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, www.greenply.com. Further, as per fourth proviso of the said section, audited annual accounts of each of the subsidiary companies and Joint Venture Company have also been placed on the website of the Company, www.greenply.com. Shareholders interested in obtaining a copy of the audited annual accounts of the subsidiary companies and Joint Venture Company may write to the Company Secretary at the Company's registered office. A statement containing salient features of the financial statement of subsidiaries/ associate companies/joint ventures is annexed to this report.

This consistency in rating reflects Company's commitment and capability to persistent growth through prudence and focus on financial discipline.

### DIVIDEND

Your Directors recommend a final dividend of 60% i.e. ₹ 3.00 per share (previous year ₹ 3.00 per share) on the Company's 2,41,36,374 Equity Shares of ₹ 5.00 each for 2014-15. The final dividend on the Equity Shares, if declared as above, would involve an outflow of ₹ 724.09 lacs towards dividend and ₹ 147.41 lacs towards dividend tax, resulting in a total outflow of ₹ 871.50 lacs.

### TRANSFER TO RESERVES

Your Directors propose to transfer ₹ 6500 lacs to the General Reserve.

### CHANGES IN SHARE CAPITAL

During the year under review, there was no change in the share capital of the Company.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Mr. Saurabh Mittal who was Joint Managing Director & CEO of the Company, relinquished the office of the Company w.e.f. the close of the working hours of November 10, 2014.

Mr. Shobhan Mittal has been designated as Joint Managing Director & CEO of the Company w.e.f. February 5, 2015.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Moina Yometh Konyak, non-executive director of the Company, will retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. Details of Mr. Moina Yometh Konyak as required under Clause 49 (VIII) (E) (1) of equity listing agreement is provided in the Corporate Governance Report and notice of 25th Annual General Meeting.

None of the directors of your Company is disqualified under the provisions of Section 164(2)(a) & (b) of the Companies Act, 2013.

### DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors of the Company have given the declaration to the Company that they

meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49 of the equity listing agreement.

### MEETINGS OF THE BOARD OF DIRECTORS

Four (4) Board Meetings were held during the financial year ended 31st March, 2015. The details of the Board Meetings with regard to their dates and attendance of each of the Directors thereat have been provided in the Corporate Governance Report.

### PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the equity listing Agreement, the Board has carried out the annual performance evaluation of the Directors individually as well as evaluation of the working of the Board and of the Committees of the Board, by way of individual and collective feedback from Directors.

Pursuant to Para VII of Schedule IV of the Companies Act, 2013 and Clause 49(II)(B)(6) of the Equity Listing Agreement, a meeting of the Independent Directors of the Company was convened to perform the following:

- Review the performance of non-independent directors and the Board as a whole;
- Review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;
- Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Further, the Nomination and Remuneration Committee also evaluated the performance of all the directors of the Company.

The criteria for evaluation are briefly provided below:

#### a. For Independent Directors:

- General parameters
- Roles & responsibilities to be fulfilled as an Independent director
- Participation in Board process

#### b. For Executive & Non-executive Directors:

- Governance
- Strategy
- Stakeholder focus
- Communication & influence
- Quality or capability

- Performance improvement
- Financial & risk awareness

The Directors expressed their satisfaction with the evaluation process.

### MANAGERIAL REMUNERATION

As per the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of managerial personnel) Rules, 2014, every listed company is required to disclose following information in the Board report.

- (a) ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year;

Name	Designation	Ratio to median remuneration of employees
Mr. Shiv Prakash Mittal	Executive Chairman	312.16
Mr. Rajesh Mittal	Managing Director	300.96
Mr. Shobhan Mittal	Joint Managing Director & CEO	278.54
Mr. Moina Yometh Konyak	Non-executive Director	8.00
Mr. Susil Kumar Pal	Independent Director	8.00
Mr. Vinod Kumar Kothari	Independent Director	8.00
Mr. Anupam Kumar Mukerji	Independent Director	8.00
Ms. Sonali Bhagwati Dalal	Independent Director	8.00
Mr. Upendra Nath Challu	Independent Director	8.00

- (b) percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Name	Designation	% increase
Mr. Shiv Prakash Mittal	Executive Chairman	17.74
Mr. Rajesh Mittal	Managing Director	18.52
Mr. Shobhan Mittal	Joint Managing Director & CEO	20.31
Mr. Moina Yometh Konyak	Non-executive Director	33.33
Mr. Susil Kumar Pal	Independent Director	33.33
Mr. Vinod Kumar Kothari	Independent Director	33.33
Mr. Anupam Kumar Mukerji	Independent Director	33.33
Ms. Sonali Bhagwati Dalal	Independent Director	33.33
Mr. Upendra Nath Challu	Independent Director	33.33
Mr. Vishwanathan Venkatramani	Chief Financial Officer	38.29
Mr. Kaushal Kumar Agarwal	Company Secretary & Vice President-Legal	19.03

- (c) percentage increase in the median remuneration of employees in the financial year;

32.24%

- (d) number of permanent employees on the rolls of company;

3,524

- (e) explanation on the relationship between average increase in remuneration and company performance;

The profit before tax for the financial year ended March 31, 2015 increased by 33.87% (on post-demerger basis) and the

profit after tax for the financial year ended March 31, 2015 increased by 57.63% (on post-demerger basis), whereas the increase in median remuneration is 32.24%. The average increase in median remuneration is in line with the performance of the company.

- (f) comparison of the remuneration of the Key Managerial Personnel against the performance of the company;

The total remuneration of KMP increased by 19.83%, whereas the profit before tax increased by 33.87% (on post-demerger basis) and the profit after tax increased by 57.63% (on post-demerger basis).

- (g) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

18.17% (non-Manual personnel) 19.83% (Managerial Personnel)

- (h) comparison of remuneration of each of the Key Managerial Personnel against the performance of the company;

Name	Designation	% increase	Comparison
Mr. Shiv Prakash Mittal	Executive Chairman	17.74	Profit before
Mr. Rajesh Mittal	Managing Director	18.52	tax increased
Mr. Shobhan Mittal	Joint Managing Director & CEO	20.31	by 33.87% and
Mr. Vishwanathan Venkatramani	Chief Financial Officer	38.29	Profit after tax
Mr. Kaushal Kumar Agarwal	Company Secretary & Vice President-Legal	19.03	increased by
			57.63% (on
			post-demerger
			basis).

- (i) the key parameters for any variable component of remuneration availed by the directors;

Company's financial results, the performance of the business unit, individual performance, skills and competence, fulfillment of various improvement targets or the attainment of certain financial objectives.

- (j) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; and

Nil

- (k) We hereby affirm that the remuneration paid to the managerial and non-managerial personnel is as per the Remuneration Policy of the Company approved at the board meeting dated 18.07.2014.

### STATUTORY AUDITORS AND THEIR REPORT

In compliance with the Companies (Audit and Auditors) Rules, 2014, M/s. D. Dhandaria & Company, Chartered Accountants, have been appointed as Statutory Auditors of the Company till the conclusion of Annual General Meeting for the financial year 2016-17, as approved by the members at their 24th Annual General Meeting held on 22nd August, 2014. Further, pursuant to the requirement of Section 139 of the Companies Act, 2013, the appointment of Statutory Auditors is to be ratified by the members at every Annual General Meeting. Members are requested to

ratify their appointment for the financial year 2015-16. The Company has received written consent and certificate from M/s. D. Dhandaria & Company, Chartered Accountants in keeping with the requirements of section 139 of Companies Act, 2013 and allied Rules thereunder.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and, therefore, do not call for further clarification. The Auditor's Report for Financial Year ended March 31, 2015 does not have any qualifications.

### COST AUDITORS

During the year under review, cost audit was not applicable to the Company.

### INTERNAL AUDITOR

The Company has in-house Internal Audit team headed by qualified and experienced Executive. The scope, functioning, periodicity and methodology for conducting internal audit were approved by the Audit Committee. Further, the Audit committee discussed and reviewed the adequacy of internal audit function, 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.

### SECRETARIAL AUDITOR

The Board of Directors of the Company had appointed M/s. Nidhi Bagri & Company, Practising Company Secretary, Kolkata, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report of M/s. Nidhi Bagri & Company, Practising Company Secretary for



the financial year ended 31st March, 2015, is annexed to this report.

### RESPONSE TO SECRETARIAL AUDITOR'S OBSERVATION

It has been observed by the Secretarial Auditor that during the financial year 2014-15, the Company has spent ₹ 10.68 Lacs towards CSR activities, which is less than 2% of the average net profit of last 3 financial years. In response to the same, your Company would like to submit that this being the first year of structured implementation of CSR initiatives, considerable time was spent on deciding on the CSR projects of interest to Company and putting systems in place to ensure effective implementation of CSR initiatives. Consequently, only a part of the year was available for implementation of CSR projects and a number of initiatives pertaining to the identified CSR projects are still in the concept stage while the Company is continuing to fine-tune the execution process. Hence, the Company was unable to spend the entire allocated amount of ₹ 243.79 lakhs during the financial year 2014-2015. The Company is committed to the underlying intent of CSR and is optimistic of meeting its obligations under section 135 of Companies Act, 2013 and thereby make a positive impact on the society.

### AUDIT COMMITTEE

The Company's Audit Committee comprises four Non-Executive Independent Directors viz. Mr. Susil Kumar Pal, Mr. Vinod Kumar Kothari, Mr. Anupam Kumar Mukerji and Mr. Upendra Nath Challu and two Executive-Promoter Directors viz. Mr. Rajesh Mittal and Mr. Shobhan Mittal. The Committee inter alia reviews the Internal Control System and reports of Internal Auditors and compliance of various regulations. The Committee also reviews at length the Financial Statements and results before they are placed before the Board. The terms of reference of the Audit Committee has been provided in the Corporate Governance Report.

### VIGIL MECHANISM

In pursuance to the provisions of section 177(9) & (10) of the Companies Act, 2013 and equity listing agreement, a vigil mechanism or 'Whistle Blower Policy' for directors and employees to report genuine concerns has been established. The same is also uploaded on the website of the Company.

### NOMINATION AND REMUNERATION COMMITTEE

The Company's Nomination and Remuneration Committee comprises three

Non-Executive Independent Directors viz. Mr. Susil Kumar Pal, Mr. Vinod Kumar Kothari, Mr. Anupam Kumar Mukerji and one Executive-Promoter Director Mr. Shiv Prakash Mittal. The Remuneration Policy of the Company prepared in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 (IV) of the equity listing agreements is uploaded on the website of the Company. The web link is <http://www.greenply.com/images/pdf/Greenply-remuneration-policy.pdf>. The terms of reference of the Nomination and Remuneration Committee has also been provided in the Corporate Governance Report. However, brief outline of the Remuneration Policy is as follows:

The Remuneration policy applies to all the "Executives" of the Company. The Policy also helps the Company to attain Board diversity and create a basis for succession planning. In addition, it is intended to ensure that-

- the Company is able to attract, develop and retain high-performing and motivated Executives in a competitive international market;
- the Executives are offered a competitive and market aligned remuneration package, with fixed salaries being a significant remuneration component, as permissible under the Applicable Law;
- remuneration of the Executives are aligned with the Company's business strategies, values, key priorities and goals.

In determining the remuneration policy, the Nomination and Remuneration Committee ensures that a competitive remuneration package for all Executives is maintained and is also benchmarked with other companies operating in national and global markets.

The nomination of the Independent Directors of the Company shall be in accordance with the principles as stated under the policy.

The assessment for Functional head will be done on the basis of below parameters by the concerned interview panel of the Company -

- Competencies
- Capabilities
- Compatibility
- Commitment
- Character

- Strong interpersonal skills
- Culture among others.

The various remuneration components would be combined to ensure an appropriate and balanced remuneration package.

The five remuneration components are -

- fixed remuneration (including fixed supplements)
- performance based remuneration (variable salary)
- pension schemes, where applicable
- other benefits in kind
- severance payment, where applicable

The fixed remuneration is determined on the basis of the role and position of the individual, including professional experience, responsibility, job complexity and local market conditions.

The performance-based remuneration motivates and rewards high performers who significantly contribute to sustainable results, perform according to set expectations for the individual in question, and generates stakeholder value within the Group.

Any fee/remuneration payable to the Non-Executive directors of the Company shall abide by the following norms -

- If any such director draws or receives, directly or indirectly, by way of fee/remuneration any such sums in excess of the limit as prescribed or without the prior sanction, where it is required, under the Applicable law such remuneration shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive the recovery of any sum refundable to it;
- Such directors may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board, as permissible under Applicable law;
- An independent director shall not be entitled to any stock option and may receive

remuneration only by way of fees and reimbursement of expenses for participation in meetings of the Board or Committee thereof and profit related commission, as may be permissible by the Applicable law.

Apart from above, the Policy also entitles Executives to a severance fee.

### STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee comprises two Promoter Directors viz. Mr. Rajesh Mittal and Mr. Shobhan Mittal and two Non-Executive Independent Directors viz. Mr. Anupam Kumar Mukerji and Mr. Susil Kumar Pal. The detailed terms of reference of the Committee has been provided in the Corporate Governance Report.

### RISK MANAGEMENT POLICY

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. However, your company is taking necessary steps to finalize and implement an appropriate Risk Management Policy in the organization. The Board is of the opinion that there are no identified risks which may threaten the existence of the Company.

### EXTRACT OF THE ANNUAL RETURN

The extract of Annual Return required under section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, is annexed to this report.

### MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial position of the Company since the close of financial year i.e. since 31st March, 2015 till the date of this Report. Further, it is hereby confirmed that there has been no change in the nature of business of the Company.

### Significant and material orders passed by the regulators / courts / tribunals impacting the going concern status and the Company's operations in future

As such there is no significant and material order by the regulator/court/tribunals impacting the going concern status and the Company's operation in future.

### INTERNAL FINANCIAL CONTROLS

The Board is of the view that the Company has laid adequate internal financial controls, commensurate with the nature, scale and complexity of its operations, in view of the following

- (a) Systems have been laid to ensure that all transactions are executed in accordance with management's general and specific authorization. There are well-laid manuals for such general or specific authorisation.
- (b) Systems and procedures exist to ensure that all transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for aspects.
- (c) Access to assets is permitted only in accordance with management's general and specific authorization. No assets of the Company are allowed to be used for personal purposes, except in accordance with terms of employment or except as specifically permitted.
- (d) The existing assets of the Company are verified / checked at reasonable intervals and appropriate action is taken with respect to any differences, if any.

### INSURANCE

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

### LOANS, GUARANTEE AND INVESTMENTS

Details of loans granted, guarantees given and investments made during the year under review, covered under the provisions of Section 186 of the Companies Act, 2013 are annexed to this report.

### DEPOSITS

During 2014-15, the Company did not invite or accept any deposits from the public under Section 76 of the Companies Act, 2013.

### RELATED PARTIES TRANSACTIONS

There are no materially significant related party transactions made by the Company which may have potential conflict with the interest of the Company. There are no material related party transactions which were entered into by the Company and hence there is no information to be provided as required under section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014. The Board has approved a policy for related party

transactions which has been uploaded on the Company's website. The web link as required under Listing Agreement is as under: [http://www.greenply.com/images/pdf/Related-Party-Transaction\(s\)-Policy.pdf](http://www.greenply.com/images/pdf/Related-Party-Transaction(s)-Policy.pdf)

### CORPORATE GOVERNANCE

The Report on corporate governance as stipulated under Clause 49 of the equity listing Agreement forms part of the Annual Report. The requisite certificate from M/s. D. Dhandaria & Company, Chartered Accountants confirming compliance with the conditions of corporate governance as stipulated under the aforesaid Clause 49, is attached to the Report on corporate governance.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Report on Management Discussion and Analysis Report as required under clause 49 of the equity listing Agreement is included in this Report. Certain Statements in the said report may be forward looking. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook.

### POLICY ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place a Policy on prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. During the year the Company had not received any complaint.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed to this report.

### CORPORATE SOCIAL RESPONSIBILITY

During the financial year 2014-15, the Company has spent ₹ 10.68 Lacs towards CSR activities, which is less than 2% of the average net profit of last 3 financial years. In response to the same, your Company would like to submit that this being the first year of structured implementation of CSR initiatives, considerable time was spent on deciding on the CSR projects of interest to Company and putting systems in place to ensure effective implementation of CSR initiatives. Consequently, only a part of the year was available for implementation of CSR projects and a number of initiatives pertaining to the identified CSR projects are still in the concept stage while the Company is continuing to fine-

tune the execution process. Hence, the Company was unable to spend the entire allocated amount of ₹ 243.79 lakhs during the FY 2014-2015. The Company is committed to the underlying intent of CSR and is optimistic of meeting its obligations under section 135 of the Companies Act, 2013 and thereby make a positive impact on the society.

In compliance with requirements of Section 135 of the Companies Act, 2013, the Company has laid down a CSR Policy. The composition of the Committee, contents of CSR Policy and report on CSR activities carried out during the Financial Year ended 31st March, 2015 in the format prescribed under Rule 9 of the Companies (Accounts) Rules, 2014 is annexed to this Report.

### DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 134(5) of the Companies Act, 2013, your directors state that:

- (i) in the preparation of the annual accounts for the financial year ended March 31, 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give 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 that period;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors had prepared the annual accounts on a going concern basis;
- (v) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively and
- (vi) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

### CEO AND CFO CERTIFICATION

Pursuant to Clause 49 of the equity 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 equity 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 and 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, 2015. Declaration is attached with the annual report.

### PARTICULARS OF EMPLOYEES

The information required under section 197 of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed to this report.

### ACKNOWLEDGEMENTS

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.

For and on behalf of the Board of Directors

**Shiv Prakash Mittal**  
Executive Chairman  
(DIN: 00237242)

Date: May 25, 2015  
Place: Kolkata



## FORM AOC-I

### Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014]

Part "A": Subsidiaries	(₹ in lacs)	
1. Name of the subsidiary	Greenply Industries (Myanmar) Pvt. Ltd., Myanmar	Greenply Trading Pte. Ltd., Singapore
2. Reporting period for the subsidiary	01.04.2014 - 31.03.2015	01.04.2014 – 31.03.2015
3. Reporting currency and Exchange rate as on the last date of the relevant Financial year	KYAT /INR = 0.06065	USD / INR = 62.49750
4. Share Capital	1745.87	1499.94
5. Reserves & Surplus	166.00	234.58
6. Total Assets	5812.32	47.85
7. Total Liabilities	3900.45	2.25
8. Investments*	NIL	1688.92
9. Turnover	2966.89	NIL
10. Profit before taxation	166.00	241.05
11. Provision for taxation	NIL	NIL
12. Profit after taxation	166.00	241.05
13. Proposed Dividend	NIL	NIL
14. % of shareholding	100%	100%

\*Including ₹ 249.16 Lacs towards share of profit from investment in the Joint Venture Company, Greenply Alkema! (Singapore) Pte. Ltd., Singapore

#### Notes:

- Names of subsidiaries which are yet to commence operations – N.A.
- Names of subsidiaries which have been liquidated or sold during the year – During financial year 2014-15, the Company has transferred Greenlam Asia Pacific Pte. Limited, Singapore, Greenlam Asia Pacific (Thailand) Co. Ltd., Thailand, Greenlam Holding Co., Ltd., Thailand, PT. Greenlam Asia Pacific, Indonesia, Greenlam America, Inc., USA, Greenlam Europe (UK) Limited, UK, Greenlam VT Industries Pvt. Ltd., India to Greenlam Industries Limited pursuant to Composite Scheme of Arrangement approved by the Hon'ble Gauhati High Court.

### Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Part "B": Associates and Joint Ventures	(₹ in lacs)
1. Name of Joint Venture	Greenply Alkema! (Singapore) Pte. Ltd., Sinagpore
2. Latest audited Balance Sheet Date	31.03.2015
3. <b>Shares of Associate/Joint Venture held by the company on the year end</b>	
a. Number of Shares	Nil
b. Amount of Investment in Associate/Joint Venture	Nil
c. Extent of Holding %	50% through Greenply Trading Pte. Ltd., Singapore, a wholly owned subsidiary of the Company.
4. Description of how there is significant influence	No significant influence
5. Reason why the associate/joint venture is not consolidated	The Company has consolidated the accounts of Greenply Trading Pte. Ltd., which has accounted for its share of profit in the Joint venture company.
6. Networth attributable to Shareholding as per latest audited Balance Sheet	1688.92
7. <b>Profit / Loss for the year</b>	
i. Considered in Consolidation	249.16
ii. Not Considered in Consolidation	249.16

#### Notes:

- Names of associates or joint ventures which are yet to commence operations. - NA
- Names of associates or joint ventures which have been liquidated or sold during the year. - NA

For and on behalf of the Board of Directors

#### Shiv Prakash Mittal

Executive Chairman  
(DIN: 00237242)

Date: May 25, 2015  
Place: Kolkata

## MR-3

## SECRETARIAL AUDIT REPORT

For The Period From April 1, 2014 To March 31, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule no.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To  
The Members  
Greenply Industries Limited  
Makum Road  
Tinsukia  
Assam-786125

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Greenply Industries Limited** (hereinafter called the "Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

On the basis of verification of the secretarial compliance and on the basis of secretarial audit of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and as shown to us during the said audit and also based on the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion and to the best of our understanding, the Company has, during the audit period covering the financial year ended on 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has adequate Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We further report that compliance with applicable laws is the responsibility of the Company and our report constitutes an independent opinion. Our report is neither an assurance for future viability of the Company nor a confirmation of efficient management by the Company.

We have examined the secretarial compliance based on the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 and as shown to us during our audit, according to the provisions of the following laws:

- The Companies Act, 2013 (the Act) and the rules made thereunder;

- The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment and External Commercial Borrowings;
- The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) viz :-
  - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- FEMA, 1999

- Other Applicable Specific Laws

The following specific laws were applicable to the Company:

- Environment Protection Act, 1986
- The Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008
- The Water (Prevention & Control of Pollution) Act, 1974 and Rules made thereunder
- The Air (Prevention & Control of Pollution) Act, 1981
- The Legal Metrology Act, 2009
- Intellectual Property Act
- Indian Boilers Act, 1923

The Company has further confirmed that during the Audit Period they have not contravened any of the provisions of the above specific laws and had obtained all the requisites registrations, permits and licenses.

We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with the stock exchanges.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

1. *During the financial year 2014-15, the Company has spent ₹ 10.68 Lacs towards CSR activities, which is less than 2% of the average net profit of last 3 financial years.*

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

We report that adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

#### PROCEDURE FOR MONITORING AND ENSURING COMPLIANCE WITH GENERAL LAWS

We have been informed that a proper procedure has been laid down to monitor and ensure compliance with general laws. On perusal of the documents provided by the Company, we observed that the Company has a system of ensuring compliance with applicable laws. The Company Secretary of the Company also provides an internal compliance certificate which is placed in the Board Meetings.

We further report that during the Audit Period, the Company has not incurred any specific event/ action listed below that can have a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., except as follows:

#### 1. Composite Scheme Of Arrangement Under Sections 100 To 104 And 391 To 394 Of The Companies Act, 1956

The Hon'ble Gauhati High Court has, on October 31, 2014, approved the composite Scheme of Arrangement under Sections 100 to 104 and 391 to 394 of the Companies Act, 1956 between Greenply Industries Limited ("Greenply") and Greenlam Industries Limited ("Greenlam") and their respective shareholders and creditors, for demerger of the Decorative Business (comprising of Laminates and Allied Products) of Greenply with all its assets and liabilities, into Greenlam with effect from April 01, 2013 (Appointed Date). The Scheme became effective w.e.f. 17.11.2014 i.e the date of filing of the certified copy of the order of the Hon'ble Gauhati High Court with the Registrar of Companies, Shillong. Pursuant to the said Scheme, the shareholdings of the Greenply in the Greenlam have been cancelled.

#### 2. Approval of Resolutions Passed Under Section 180 of the Act

At the Annual General Meeting held on August 22, 2014, the members of the Company had approved resolutions passed under sections 180(1)(a) and 180(1)(c) of the Act to approve the threshold limit as ₹ 2000 crores for both the sections.

Our Secretarial Audit Report for the financial year ended 31st March, 2015 of even date is to be read along with the annexure to this letter.

Thanking you,

For **Nidhi Bagri & Company**  
(Company Secretary in practice)

**(Nidhi Bagri)**  
Proprietor  
ACS No. 24765  
CP. No. 9590  
Date: May 15, 2015  
Place: Kolkata

## ANNEXURE TO SECRETARIAL AUDIT REPORT

To,  
The Members,  
Greenply Industries Limited  
Makum Road  
Tinsukia  
Assam-786125

Our Secretarial Audit Report for the financial year ended 31st March, 2015 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Thanking you,

For **Nidhi Bagri & Company**  
(Company Secretary in practice)

**(Nidhi Bagri)**  
Proprietor  
ACS No. 24765  
CP. No. 9590  
Date: May 15, 2015  
Place: Kolkata



## FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

### I. REGISTRATION AND OTHER DETAILS:

- i) CIN: L20211AS1990PLC003484

vi) Whether listed company  
☒ Yes / ☐ No
- ii) Registration Date: 28.11.1990

vii) Name, Address and Contact details of Registrar and Share Transfer Agent, if any:  
  
M/s. S. K. INFOSOLUTIONS PVT. LTD.  
34/1A, SUDHIR CHATTERJEE STREET,  
KOLKATA- 700 006  
PHONE: (033) 2219-4815/6797  
FAX: (033) 2219-4815
- iii) Name of the Company:  
GREENPLY INDUSTRIES LIMITED

iv) Category/Sub-Category of the Company:  
COMPANY LIMITED BY SHARES/INDIAN NON-GOVERNMENT COMPANY.
- v) Address of the registered office and contact details: MAKUM ROAD, TINSUKIA, ASSAM- 786125, PHONE: (033) 3051 5000, FAX: (033) 3051 5010

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the Business activities contributing 10% or more of the total turnover of the company are:-

Sl. No	Name and Description of main products/ services	NIC Code-2008 of the Product/ service	% to total turnover of the company
1	Plywood	1621	74.14
2	MDF	1621	24.61

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name and Address of The company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable section
1	GREENPLY TRADING PTE. LTD., 3, Shenton Way, #12-01A Shenton House Singapore 068805	201323926C	Subsidiary	100%	2(87)(i)&(ii) of The Companies Act, 2013
2	GREENPLY INDUSTRIES (MYANMAR) PVT. LTD., Plot No. 6 & 7, Dagon SiekKan Industrial Zone-2, Dagon SiekKan Town Ship, Yangon Region, Myanmar	255 FC of 2013-14	Subsidiary	100%	2(87)(i)&(ii)of The Companies Act, 2013
3	GREENPLY ALKEMAL (SINGAPORE) PTE. LTD., 3, Shenton Way, #12-01 A Shenton House Singapore 068805	201413887Z	Associate (Joint Venture Company)	50% Investment through Greenply Trading Pte. Ltd., Singapore	2(6) of The Companies Act, 2013

## IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the y ear
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. PROMOTERS</b>									
<b>(1) Indian</b>									
a) Individual/HUF	4318636	0	4318636	17.89	4318636	0	4318636	17.89	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	8956364	0	8956364	37.11	8956364	0	8956364	37.11	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (1):-</b>	<b>13275000</b>	<b>0</b>	<b>13275000</b>	<b>55.00</b>	<b>13275000</b>	<b>0</b>	<b>13275000</b>	<b>55.00</b>	<b>0.00</b>
<b>(2) FOREIGN</b>									
a) NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total shareholding of Promoter (A) = (A) (1)+(A)(2)</b>	<b>13275000</b>	<b>0</b>	<b>13275000</b>	<b>55.00</b>	<b>13275000</b>	<b>0</b>	<b>13275000</b>	<b>55.00</b>	<b>0.00</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>1. Institutions</b>									
a) Mutual Funds	1561537	0	1561537	6.47	1913642	0	1913642	7.93	1.46
b) Banks / FI	0	0	0	0.00	4122	0	4122	0.02	0.02
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	3683041	0	3683041	15.26	2946190	0	2946190	12.21	(3.05)
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(1):-</b>	<b>5244578</b>	<b>0</b>	<b>5244578</b>	<b>21.73</b>	<b>4863954</b>	<b>0</b>	<b>4863954</b>	<b>20.15</b>	<b>(1.58)</b>
<b>2. Non-Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	505705	4800	510505	2.12	664500	4800	669300	2.77	0.66
ii) Overseas	0	0	0	0	0	0	0	0.00	0.00
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	688762	32775	721537	2.99	805861	29327	835188	3.46	0.47
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	4304050	0	4304050	17.83	3690145	0	3690145	15.29	(2.54)
<b>c) Others (specify)</b>									
NRI	69009	0	69009	0.29	55072	0	55072	0.23	(0.06)
FCB	0	0	0	0.00	0	0	0	0.00	0.00
Clearing Members	8209	0	8209	0.03	16154	0	16154	0.07	0.03
Trust	3486	0	3486	0.01	3586	0	3586	0.01	0.00
Foreign Companies	0	0	0	0	727975	0	727975	3.02	3.02
<b>Sub-total (B)(2):-</b>	<b>5579221</b>	<b>37575</b>	<b>5616796</b>	<b>23.27</b>	<b>5963293</b>	<b>34127</b>	<b>5997420</b>	<b>24.85</b>	<b>1.58</b>
<b>Total Public Shareholding (B)=(B) (1)+(B)(2)</b>	<b>10823799</b>	<b>37575</b>	<b>10861374</b>	<b>45.00</b>	<b>10827247</b>	<b>34127</b>	<b>10861374</b>	<b>45.00</b>	<b>0.00</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>24098799</b>	<b>37575</b>	<b>24136374</b>	<b>100.00</b>	<b>24102247</b>	<b>34127</b>	<b>24136374</b>	<b>100.00</b>	<b>0.00</b>

## ii) Shareholding of Promoters and Promoter Group:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in Share holding During the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / Encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / Encumbered to total shares	
1.	RAJESH MITTAL	533180	2.21	0.00	683180	2.83	0.00	0.62
2.	SAURABH MITTAL	159000	0.66	0.00	990000	4.10	0.00	3.44
3.	SAURABH MITTAL ON BEHALF OF TRADE COMBINES, PARTNERSHIP FIRM	696457	2.89	0.00	696457	2.89	0.00	0.00
4.	SHOBHAN MITTAL	472400	1.96	0.00	147400	0.61	0.00	(1.35)
5.	SHOBHAN MITTAL ON BEHALF OF TRADE COMBINES, PARTNERSHIP FIRM	928609	3.85	0.00	928609	3.85	0.00	0.00
6.	SHIV PRAKASH MITTAL ON BEHALF OF SHIV PRAKASH MITTAL HUF	178000	0.74	0.00	178000	0.74	0.00	0.00
7.	SHIV PRAKASH MITTAL ON BEHALF OF TRADE COMBINES, PARTNERSHIP FIRM	485410	2.01	0.00	485410	2.01	0.00	0.00
8.	SANIDHYA MITTAL	18000	0.07	0.00	18000	0.07	0.00	0.00
9.	SANTOSH MITTAL	55180	0.23	0.00	55180	0.23	0.00	0.00
10.	KARUNA MITTAL	136000	0.56	0.00	136000	0.56	0.00	0.00
11.	PARUL MITTAL	400	0.00	0.00	400	0.00	0.00	0.00
12.	GREENPLY LEASING & FINANCE PVT. LTD.	2714731	11.25	0.00	2714731	11.25	0.00	0.00
13.	PRIME HOLDINGS PVT. LTD.	2408560	9.98	0.00	2408560	9.98	0.00	0.00
14.	S. M. MANAGEMENT PVT. LTD.	3543462	14.68	0.00	3543462	14.68	0.00	0.00
15.	VANASHREE PROPERTIES PVT. LTD.	289611	1.20	0.00	289611	1.20	0.00	0.00
16.	SHIV PRAKASH MITTAL	506000	2.10	0.00	0	0.00	0.00	(2.10)
17.	CHITWAN MITTAL	0	0.00	0.00	0	0.00	0.00	0.00
18.	MASTER ADITYA MITTAL	0	0.00	0.00	0	0.00	0.00	0.00
19.	EDUCATIONAL INNOVATIONS PVT. LTD.	0	0.00	0.00	0	0.00	0.00	0.00
20.	NIRANJAN INFRASTRUCTURE PVT. LTD.	0	0.00	0.00	0	0.00	0.00	0.00
21.	RS HOMCON LIMITED	0	0.00	0.00	0	0.00	0.00	0.00
22.	R. M. SAFEINVEST PVT. LTD.	0	0.00	0.00	0	0.00	0.00	0.00
23.	SHOWAN INVESTMENT PVT. LTD.	0	0.00	0.00	0	0.00	0.00	0.00
24.	BRIJBHUMI MERCHANTS PVT. LTD.	0	0.00	0.00	0	0.00	0.00	0.00
25.	BRIJBHUMI TRADEVIN PVT. LTD.	0	0.00	0.00	0	0.00	0.00	0.00
26.	MASTERMIND SHOPPERS PVT. LTD.	0	0.00	0.00	0	0.00	0.00	0.00
27.	DHOLKA PLYWOOD INDUSTRIES PVT. LTD.	0	0.00	0.00	0	0.00	0.00	0.00
28.	MITTALGREEN PLANTATIONS LLP	0	0.00	0.00	0	0.00	0.00	0.00
29.	RAJESH MITTAL ON BEHALF OF RAJESH MITTAL HUF	150000	0.62	0.00	0	0.00	0.00	(0.62)
<b>Total</b>		<b>13275000</b>	<b>55.00</b>	<b>0.00</b>	<b>13275000</b>	<b>55.00</b>	<b>0.00</b>	<b>0.00</b>

## iii) Change in Promoters' Shareholding (please specify, if there is no change):

Sl. No.	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	NO CHANGE DURING THE YEAR			
Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	NO CHANGE DURING THE YEAR			
At the end of the year	NO CHANGE DURING THE YEAR			

## iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

SN	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year (01.04.2014 - 31.03.2015)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>HSBC BANK (MAURITIUS) LIMITED A/C JWALAMUKHI INVESTMENT HOLDINGS</b>				
	At the beginning of the year	2376884	9.85	2376884	9.85
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the end of the year (or on the date of separation, if separated during the year)	2376884	9.85	2376884	9.85
<b>2</b>	<b>ASHISH DHAWAN</b>				
	At the beginning of the year	2369488	9.82	2369488	9.82
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the end of the year (or on the date of separation, if separated during the year)	2369488	9.82	2369488	9.82



SN	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year (01.04.2014 - 31.03.2015)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>3</b>	<b>HDFC TRUSTEE COMPANY LIMITED</b>				
	At the beginning of the year	1561537	6.47	1561537	6.47
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	200000 (06.06.14 - Purchase)	0.83	1761537	7.30
		19057 (30.06.14 - Purchase)	0.08	1780594	7.38
		51148 (11.07.14 - Purchase)	0.21	1831742	7.59
		1634 (18.07.14 - Purchase)	0.01	1833376	7.60
		385 (25.07.14 - sale)	0.00	1832991	7.59
		466 (01.08.14 - Purchase)	0.00	1833457	7.60
		1441 (14.08.14 - Purchase)	0.00	1834898	7.60
		691 (29.08.14 -sale)	0.00	1834207	7.60
		500 (19.09.14 - sale)	0.00	1833707	7.60
		500(13.12.14 - sale)	0.00	1833207	7.60
		80435 (31.12.14 - Purchase)	0.33	1913642	7.93
	At the end of the year (or on the date of separation, if separated during the year)	1913642	7.93	1913642	7.93
<b>4</b>	<b>CITIGROUP GLOBAL MARKETS MAURITIUS PRIVATE LIMITED</b>				
	At the beginning of the year	726342	3.00	726342	3.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /(decrease) (e.g. allotment / transfer / bonus/ sweat equity etc):	726342 (27.02.15 -Sale)	3.00	NIL	NIL
	At the end of the year (or on the date of separation, if separated during the year)	NIL	NIL	NIL	NIL

SN	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year (01.04.2014 - 31.03.2015)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>5</b>	<b>LATA BHANSHALI</b>				
	At the beginning of the year	503624	2.09	503624	2.09
	Date wise Increase / (Decrease) in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):	3817 (18.04.14 -Sale)	0.02	499807	2.07
		200000 (06.06.14 -Sale)	0.83	299807	1.24
		92800 (17.10.14 -Sale)	0.38	207007	0.86
		4100 (07.11.14 -Sale)	0.02	202907	0.84
		1263 (31.12.14 -Sale)	0.00	201644	0.84
	At the end of the year (or on the date of separation, if separated during the year)	201644	0.84	201644	0.84
<b>6</b>	<b>MORGAN STANLEY MAURITIUS COMPANY LIMITED</b>				
	At the beginning of the year	438308	1.82	438308	1.82
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/ bonus/ sweat equity etc):	40000 (08.08.14 -Sale)	0.17	398308	1.65
		200 (14.08.14 - Sale)	0.00	398108	1.65
		10578 (12.09.14 -Sale)	0.04	387530	1.61
		275 (17.10.14 - Sale)	0.00	387255	1.60
		40000 (07.11.14 -Sale)	0.17	347255	1.44
		2425 (14.11.14 -Sale)	0.01	344830	1.43
		4748 (21.11.14 -Sale)	0.02	340082	1.41
		10650 (28.11.14 -Sale)	0.04	329432	1.36
		2500 (19.12.14 -Sale)	0.01	326932	1.35
		4716 (31.12.14 -Sale)	0.02	322216	1.33
		10110 (09.01.15 -Sale)	0.04	312106	1.29
		1047 (17.01.15 -Sale)	0.00	311059	1.29
		5875 (23.01.15 -Sale)	0.02	305184	1.26
		2000 (30.01.15 -Sale)	0.01	303184	1.26
		5676 (06.02.15 -Sale)	0.02	297508	1.23

SN	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year (01.04.2014 - 31.03.2015)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
		10313 (27.02.15 –Sale)	0.04	287195	1.19
		6894 (06.03.15 –Sale)	0.03	280301	1.16
		12500 (14.03.15 –Sale)	0.05	267801	1.11
	At the end of the year (or on the date of separation, if separated during the year)	267801	1.11	267801	1.11
<b>7</b>	<b>MANGAL BHANSHALI</b>				
	At the beginning of the year	260000	1.08	260000	1.08
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	15000 (20.03.15 - Sale)	0.06	245000	1.02
	At the end of the year (or on the date of separation, if separated during the year)	245000	1.02	245000	1.02
<b>8</b>	<b>MEENU BHANSHALI</b>				
	At the beginning of the year	230000	0.95	230000	0.95
	Date wise Increase / (Decrease) in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	230000 (17.10.14 – Sale)	0.95	NIL	NIL
	At the end of the year (or on the date of separation, if separated during the year)	NIL	NIL	NIL	NIL
<b>9</b>	<b>ROOPCHAND BHANSHALI</b>				
	At the beginning of the year	220000	0.91	220000	0.91
	Date wise Increase / (Decrease) in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):	220000 (17.10.14 – Sale)	0.91	NIL	NIL
	At the end of the year (or on the date of separation, if separated during the year)	NIL	NIL	NIL	NIL

SN	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year (01.04.2014 - 31.03.2015)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>10</b>	<b>AKASH BHANSHALI</b>				
	At the beginning of the year	115000	0.48	115000	0.48
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	215600 (17.10.14 – Purchase)	0.89	330600	1.37
		600 (7.11.14 – Sale)	0.00	330000	1.37
		2539 (06.02.15 – Sale)	0.01	327461	1.36
		5111 (13.03.15 – Sale)	0.02	322350	1.34
		100000 (20.03.15 – Sale)	0.41	222350	0.92
	At the end of the year (or on the date of separation, if separated during the year)	222350	0.92	222350	0.92
<b>11</b>	<b>WESTBRIDGE CROSSOVER FUND, LLC</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	727975 (27.02.15 – Purchase)	3.02	727975	3.02
	At the end of the year (or on the date of separation, if separated during the year)	727975	3.02	727975	3.02
<b>12</b>	<b>VALLABH ROOPCHAND BHANSHALI</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	322800 (17.10.14 – Purchase)	1.34	322800	1.34
		3700 (07.11.14 – Sale)	0.02	319100	1.32
	At the end of the year (or on the date of separation, if separated during the year)	319100	1.32	319100	1.32



SN	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year (01.04.2014 - 31.03.2015)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
13	<b>CANARA HSBC ORIENTAL BANK OF COMMERCE LIFE INSURANCE</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	100000 (20.03.15 – Purchase)	0.41	100000	0.41
		84465 (27.03.15 – Purchase)	0.35	184465	0.76
		382 (31.03.15 – Sale)	0.00	184083	0.76
	At the end of the year (or on the date of separation, if separated during the year)	184083	0.76	184083	0.76

**v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year (01.04.2014 - 31.03.2015)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>RAJESH MITTAL</b>				
	At the beginning of the year	533180	2.21	533180	2.21
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	150000 (31.03.2015 -Acquisition pursuant to partition of HUF - Inter Se Transfer)	0.62	683180	2.83
	At the End of the year	683180	2.83	683180	2.83
2.	<b>SHOBHAN MITTAL</b>				
	At the beginning of the year	472400	1.96	472400	1.96
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	325000 (30.03.2015 -Gift to brother - Inter Se Transfer	1.35	147400	0.61
	At the End of the year	147400	0.61	147400	0.61
3.	<b>SHIV PRAKASH MITTAL</b>				
	At the beginning of the year	506000	2.10	506000	2.10
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	506000 (30.03.2015 -Gift to son -Inter Se Transfer)	2.10	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year (01.04.2014 - 31.03.2015)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4.	<b>MOINA YOMETH KONYAK</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL
5.	<b>SUSIL KUMAR PAL</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL
6.	<b>VINOD KUMAR KOTHARI</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL
7.	<b>ANUPAM KUMAR MUKERJI</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL
8.	<b>SONALI BHAGWATI DALAL</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year (01.04.2014 - 31.03.2015)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9.	<b>UPENDRA NATH CHALLU</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL
10	<b>SAURABH MITTAL (Resigned w.e.f. 11.11.2014)</b>				
	At the beginning of the year	159000	0.66	159000	0.66
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	325000 (30.03.2015 -Gift from brother - Inter Se Transfer)	1.35	484000	2.01
	At the End of the year	506000 (30.03.2015 -Gift from father-Inter se transfer)	2.10	990000	4.10
	At the End of the year	990000	4.10	990000	4.10
11.	<b>KAUSHAL KUMAR AGARWAL</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL
12.	<b>VISHWANATHAN VENKATRAMANI</b>				
	At the beginning of the year	2	0.00	2	0.00
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	2	0.00	2	0.00

## V. INDEBTEDNESS

### Indebtedness of the Company including interest outstanding/accrued but not due for payments

(₹ in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	22760.92	14820.27	--	37581.19
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	124.38	5.73	--	130.11
<b>Total (i+ii+iii)</b>	<b>22885.30</b>	<b>14826.00</b>	<b>--</b>	<b>37711.30</b>
Change in Indebtedness during the financial year	Reduction	Addition	--	Reduction
■ Addition				
■ Reduction				
<b>Net Change</b>	<b>4903.35</b>	<b>395.10</b>	<b>--</b>	<b>4508.25</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	17938.14	15215.12	--	33153.26
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	43.81	5.98	--	49.79
<b>Total (i+ii+iii)</b>	<b>17981.95</b>	<b>15221.10</b>	<b>--</b>	<b>33203.05</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in lacs)

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total amount
		Shiv Prakash Mittal	Rajesh Mittal	Shobhan Mittal	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	156.00	144.00	120.00	420.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	16.17	20.58	5.96	42.71
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission				
	- as 1.50% of profit	208.18	208.18	208.18	624.54
	-others, specify	Nil	Nil	Nil	Nil
5.	Others – Provident Fund	18.72	17.28	14.40	50.40
	<b>Total (A)</b>	<b>399.07</b>	<b>390.04</b>	<b>348.54</b>	<b>1137.65</b>
	Ceiling as per the Act	₹ 1,428.71 lacs (being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)			



**B. Remuneration to other directors:**

(₹ in lacs)

Sl. no.	Particulars of Remuneration	Name of Directors					Total Amount
		Susil Kumar Pal	Anupam Kumar Mukerji	Vinod Kumar Kothari	Upendra Nath Challu	Sonali Bhagwati Dalal	
<b>1. Independent Directors</b>							
	Fee for attending board/ committee meetings	2.10	2.00	1.55	1.50	0.15	7.30
	Commission	10.00	10.00	10.00	10.00	10.00	50.00
	Others, please specify	-	-	-	-	-	-
	<b>Total(1)</b>	<b>12.10</b>	<b>12.00</b>	<b>11.55</b>	<b>11.50</b>	<b>10.15</b>	<b>57.30</b>
		Moina Yometh Konyak					
<b>2. Other Non-Executive Directors</b>							
	Fee for attending board/ committee meetings	0.15					0.15
	Commission	10.00					10.00
	Others, please specify	-	-	-	-	-	-
	<b>Total(2)</b>	<b>10.15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10.15</b>
	<b>Total(B)=(1+2)</b>	<b>22.25</b>	<b>12.00</b>	<b>11.55</b>	<b>11.50</b>	<b>10.15</b>	<b>67.45*</b>
	Total Managerial Remuneration						1205.10
	Overall Ceiling as per the Act	₹ 1,571.58 lacs (being 11% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)					

\* Ceiling as per the Act: ₹ 142.87 lacs (being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:**

(₹ in lacs)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Chief Financial Officer	Company Secretary	Total
1.	Gross salary			
	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	72.65	36.36	109.01
	Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	Profits in lieu of salary under section 17(3) Income tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission			
	- as % of profit	Nil	Nil	Nil
	- others, specify.	Nil	Nil	Nil
5.	Others – Provident Fund	3.36	1.70	5.06
	<b>Total</b>	<b>76.01</b>	<b>38.06</b>	<b>114.07</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

Type	Section of The Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD /NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	None	N.A.	N.A.	N.A.	N.A.
Punishment	None	N.A.	N.A.	N.A.	N.A.
Compounding	None	N.A.	N.A.	N.A.	N.A.
<b>B. DIRECTORS</b>					
Penalty	None	N.A.	N.A.	N.A.	N.A.
Punishment	None	N.A.	N.A.	N.A.	N.A.
Compounding	None	N.A.	N.A.	N.A.	N.A.
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	None	N.A.	N.A.	N.A.	N.A.
Punishment	None	N.A.	N.A.	N.A.	N.A.
Compounding	None	N.A.	N.A.	N.A.	N.A.

**PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS MADE BY THE COMPANY:**
**(i) Details of loans**

Sl. No.	Date of loan	Date of Board Resolution	Date of Special Resolution (if any)	Name of borrower	Purpose for which the loan is proposed to be utilized by the recipient	Amount (₹)	Rate of interest	Security	Prevailing yield of 1/3/5/10 year Government Security at the time of extending the loan
1	15.11.2014	04.11.2014	Not Applicable	Greenlam Industries Limited	Considering the demerger process it was necessary for the Company to give loan to Greenlam Industries Limited for smooth operation of its initial post demerger formalities.	25,00,000	9% p.a.	Nil	Not Applicable. Loan was given for the maximum tenure of six months.

## (ii) Details of investments

Sl No.	Date of investment	Date of Board Resolution	Date of Special Resolution (if any)	Name of investee	Purpose for which the proceeds from investment is proposed to be utilized by the recipient	Amount (₹)	Expected rate of return
1	03.04.2014	23.01.2013	Not Applicable	Greenply Industries (Myanmar) Pvt. Ltd.	For business requirements.	14917500	Not Applicable
2	15.05.2014	23.01.2013	Not Applicable	Greenply Industries (Myanmar) Pvt. Ltd.	For business requirements.	17859000	Not Applicable
3	02.06.2014	23.01.2013	Not Applicable	Greenply Industries (Myanmar) Pvt. Ltd.	For business requirements.	17757000	Not Applicable
4	21.07.2014	23.07.2013	Not Applicable	Greenply Trading Pte. Ltd.	For business requirements.	18063000	Not Applicable
5	27.08.2014	23.07.2013	Not Applicable	Greenply Trading Pte. Ltd.	For business requirements.	18108000	Not Applicable
6	08.09.2014	23.07.2013	Not Applicable	Greenply Trading Pte. Ltd.	For business requirements.	60272500	Not Applicable
7	10.03.2015	23.07.2013 & 04.11.2014	Not Applicable	Greenply Trading Pte. Ltd.	For business requirements.	43842750	Not Applicable

## (iii) Details of guarantee/security provided

Sl No.	Date of providing security/guarantee	Date of Board Resolution	Date of Special Resolution (if any)	Name of recipient	Purpose for which the security/guarantee is proposed to be utilized by the recipient	Amount (USD/SGD/EUR)	Commission
1	10.04.2014	29.03.2014	22.08.2014	Greenlam America, Inc.	For working capital requirements	USD 1 million	NIL
2.	25.06.2014	03.06.2014	22.08.2014	Greenlam America, Inc.	For working capital requirements	USD 1 million	NIL
3.	11.08.2014	18.07.2014	22.08.2014	Greenlam Asia Pacific Pte. Ltd.	For working capital requirements	SGD22900000	NIL
4.	21.08.2014	03.06.2014	22.08.2014	Greenlam Europe(UK) Ltd.	For working capital requirements	EURO 1 million	NIL
5.	21.11.2014	07.11.2014	22.08.2014	Greenlam Asia Pacific Pte. Ltd.	For working capital requirements	USD 1 million	NIL

## INFORMATION REQUIRED UNDER SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 PERTAINING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

### A. Conservation of energy

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

- Fiber air dryer Stage-1 fan impeller replaced with energy efficient impeller thus reducing power consumption per unit of MDF production.
- Energy Plant fuel feeding air spreader fan damper control system replaced with VFD to control air for fuel spreading.
- Energy Plant hot air gas duct going to Thermic fluid heater insulated to reduce radiation heat loss.

- Air flow control with SOV and PLC to optimize cooling air consumption used for bearings in various air blowing fans of energy plant.

- All Energy meters located at different locations in the plant are connected with data recorder for daily monitoring of energy consumption.

- Systems incorporated to change refiner segment based on specific power consumption on unit fiber production.

- Insulation for the top surface of furnace in energy plant is replaced with ceramic blanket modules to reduce heat losses.

- Periodic check of the electric distribution network for safe and efficient performance.

- Preventive and corrective maintenance schedule for proactive measures to optimize energy usage and available time of machines.

- System incorporated to stop Offline equipment during peak load period and run at maximum capacity in off peak load period.

- Power purchase started from IEX on open access basis to reduce power.

- Improve air circulation with energy efficient blower fans for veneer dryer in plywood manufacturing.

- Energy efficient lights are installed at shop floors to conserve power.

- Heat Exchangers and cooling tower overhauled to improve resin cooling cycles.

#### (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 formulation of cost effective resin in collaboration with Hex ion, Australia.
- Tied up with Emulco, Malaysia for trial of wax emulsion in place of Paraffin wax.
- Plywood manufacturing process converted into semi-auto operation by installing of Arison clipper, core composer, mat formation and overlaying of face on plywood surface for better productivity, optimize cost of production and achieve improved quality products.

- The Company is working on to control/reduce formaldehyde emission from plywood and MDF by improved glue formulation.

- Company has tied up Wemoener to install automatic paper laying station for paper feeding on Pre-lamination line.

- Company has installed automatic veneer jointing machine for laying up of natural veneer flitches.

- Company has placed order for supply of veneer brushing machine for processing of natural veneer in exotic designs.

- Company has placed order for Autoclave for ammonia fumigation of natural veneer to produce veneer in different shades.

#### 2. Benefits of the R&D exercises

- Improved product quality and increased timber recovery.
- Cost reduction, technology up-gradation.
- 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	48.26
Revenue	-
<b>Total</b>	<b>48.26</b>
Total R&D expenditure as a percentage of net turnover (%)	0.03

#### 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.

**Foreign exchange earnings and outgo:**

Earnings and outgo:

	2014-15	2013-14
Earnings on account of:		
a) FOB value of exports	287.71	27966.76
<b>Total</b>	<b>287.71</b>	<b>27966.76</b>
Outgo on account of:		
a) Raw materials	20281.09	42532.93
b) Capital goods	1720.39	3524.07
c) Traded goods	2348.47	1698.31
d) Stores & spare parts	506.28	303.29
<b>Total</b>	<b>24856.23</b>	<b>48058.60</b>

For and on behalf of the Board of Directors

**Shiv Prakash Mittal**

Executive Chairman  
(DIN: 00237242)

Date: May 25, 2015  
Place: Kolkata

## REPORT ON THE CSR ACTIVITIES FORMING PART OF THE BOARD'S REPORT FOR THE YEAR ENDED ON 31ST MARCH, 2015

**1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

**Brief outline of the CSR Policy:**

Greenply Industries Limited has always been committed to embrace sustainable business practices as a core business strategy. On similar lines, Greenply's CSR initiatives are designed with a commitment towards creating a positive change in the society through holistic and sustainable community development programs. The company's CSR policy has been designed to serve as a guiding light for the futuristic vision and mission of community empowerment, development and sustainable change.

**Vision:** We envision a future where people all over our Country – even in the remote areas – have the opportunity to achieve their full potential in all aspects of their life.

**Mission:** Dedicating time and resources towards social initiatives to ensure equal opportunities and access to everyone in the spheres of education, vocation and healthcare, in order to empower them to achieve their full potential.

The objective of this policy is not only to guide the Company and its people to undertake CSR initiatives, but also to integrate the business processes with social and environmental development. Greenply believes that our CSR policy is a reflection of our faith in socially inclusive and sustainable business practices.

**Priority Projects**

The Company has currently identified the following Priority Projects to be undertaken by the CSR Committee–

- Promoting education including special education and employment enhancing vocation skills especially among children, women and the differently abled and livelihood enhancement projects;
- Promoting health care including preventive health care and sanitation and making available safe drinking water;
- Promoting gender equality, empowering women, setting-up homes and hostels for women and orphans;

- Rural infrastructure development;

- Ensuring animal welfare;

**Name of the projects/ programs:**

**a. Rural Mother and Child Health and Hygiene Project:**

Initiated in the nearby tribal villages of Tizit, District: Mon, Nagaland, the project aims to improve healthcare services in the area. The project is being implemented with support from **Rural Development Institute, Himalayan Institute Hospital Trust, Dehradun.**

The objectives of the project are to:

- Undertake health needs assessment (including healthy home surveys etc.);
- Build capacity of community health activists/workers, caregivers for women's health and hygiene issues;
- Build a cadre of trained peer educators and counsellors for furthering health and development of adolescents and youth;
- Strengthen community ownership through capacity building and behaviour change communication;
- Introduce innovative “Behavioural Change Communication” for enabling health and hygiene awareness and education (include documenting local practices)

**b. Sponsoring Girl Child Education:**

Greenply is supporting deserving and talented girls from economically weaker sections of the society, through **Udayan Care, West Bengal**. Udayan's Shalini Fellowship Programme is a unique academic excellence and personality development programme, which aims to empower girls and women. Its uniqueness lies in the fact that it goes beyond being a usual Scholarship Programme, by not only supporting higher education but also providing regular mentoring and leadership development and inculcating a sense of social responsibility to the selected talented girls.

**Web link to the CSR Policy of the Company:**

[http://www.greenply.com/images/pdf/Corporate\\_Social\\_Responsibility\\_Policy.pdf](http://www.greenply.com/images/pdf/Corporate_Social_Responsibility_Policy.pdf)

**2. Composition of the CSR Committee:**

The Greenply CSR committee was formed to shape the vision, mission and goal of the company's CSR initiatives. The committee members are:

- a. Mr. Rajesh Mittal
- b. Mr. Vinod Kumar Kothari
- c. Mr. Shobhan Mittal
- d. Mr. Upendra Nath Challu

- 3. Average net profit of the company for last three financial years: ₹ 12189.30 lacs
- 4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): ₹ 243.79 lacs
- 5. Details of CSR spent during the financial year:
  - (a) Total amount to be spent for the financial year: ₹ 243.79 lacs
  - (b) Amount unspent, if any: ₹ 233.11 lacs

(c) Manner in which the amount spent during the financial year is detailed below

1 Sl No.	2 CSR Project or Activity identified	3 Sector in which the Project is covered	4 Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	5 Amount outlay (budget) project or program wise	6 Amount spent on the projects or programs Sub- heads: (1) Direct expenditure on projects or programs (2) Overheads	7 Cumulative expenditure upto the reporting period i.e. FY 2014-15	8 Amount spent: Direct or through implementing agency
1	Supporting education and grooming girl students from economically weaker sections of the society	Promoting education, including special education and employment enhancing vocation skills especially among children, women and the differently-abled and livelihood enhancement projects	Udayan Shalini Fellowship Programme in Kolkata and neighbouring Districts of West Bengal	₹ 13,20,000 for the period 2014-15 to 2018-19	Direct expenditure: ₹ 2,40,000	₹ 2,40,000	Through Udayan Care, West Bengal
2	Rural Mother, Child and Adolescent Health and Hygiene Program	Promoting health care including preventive health care and sanitation and making available safe drinking water;	Healthcare Project for Rural Mother, Child and Adolescent Health and Hygiene Program in the nearby villages of Tizit, Dist: Mon, Nagaland	₹ 96,05,000 for the period 2014-15 to 2017-18 (through Implementing Agency) ₹ 3,43,82,350 for the period 2014-15 to 2017-18 (directly by the Company)	Direct expenditure: ₹ 8,28,333	₹ 8,28,333	Through Rural Development Institute, Himalayan Institute Hospital Trust
<b>Total</b>					<b>₹ 10,68,333</b>	<b>₹ 10,68,333</b>	

About the implementing agency:

- a. Rural Development Institute (RDI) is a part of the Himalayan Institute Hospital Trust, a society founded in the year 1989, to serve rural populations using a multi-dimensional approach located in Dehradun, Uttarakhand. RDI works primarily in the areas of Health, Water & Sanitation, Education and Skill Development. Over the years, the institution has impacted over 10 Lakh rural population of Uttarakhand, Himachal Pradesh and parts of Uttar Pradesh.
- b. Udayan's Shalini Fellowship Programme of Udayan Care, West Bengal is a unique academic excellence and personality development programme, which aims to empower girls and women. Its uniqueness lies in the fact that it goes beyond being a usual Scholarship Programme, by not only supporting higher education but also providing regular mentoring and leadership development and inculcating a sense of social responsibility to the selected talented girls.

- 6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report-

The Company has spent ₹ 10.68 Lacs towards CSR activities, which is less than 2% of the average net profit of last 3 financial years. In response to the same, your Company

would like to submit that this being the first year of structured implementation of CSR initiatives, considerable time was spent on deciding on the CSR projects of interest to Company and putting systems in place to ensure effective implementation of CSR initiatives. Consequently, only a part of the year was available for implementation of CSR projects and a number of initiatives pertaining to the identified CSR projects are still in the concept stage while the Company is continuing to fine-tune the execution process. Hence, the Company was unable to spend the entire allocated amount of ₹ 243.79 lakhs during the FY 2014-2015. The Company is committed to the underlying intent of CSR and is optimistic of meeting its obligations under section 135 of the Companies Act, 2013 and thereby make a positive impact on the society.

- 7. The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

**Signing both on behalf of the Company and the CSR Committee**

**Rajesh Mittal**

Chairman of CSR Committee & Managing Director  
(DIN: 00240900)  
Place: Kolkata  
Date: 25.05.2015



Sl. No.	Name of Employee	Designation	Remuneration (₹ in Lac)	Nature of Employment Permanent / Otherwise	Qualification	Experience	Date of commencement of Employment	Age Yrs.	The Last Employment held before joining the Company	% of Equity shares held (required only for non-directors)	Whether such employee is a relative of any director or manager of the company
1	Shiv Prakash Mittal	Executive Chairman	3,99,07,000	Permanent	B.Sc.	42 yrs.	01.02.2007	66 yrs.	Himalaya Granites Ltd.	N.A.	Yes
2	Rajesh Mittal	Managing Director	3,90,04,000	Permanent	B.Com.	31 yrs.	01.01.1991	52 yrs.	Not Applicable	N.A.	Yes
3	Shobhan Mittal	Joint Managing Director & CEO	3,48,53,980	Permanent	BBA	10 yrs.	01.09.2006	35 yrs.	Worthy Plywoods Ltd.	N.A.	Yes
4	Vishwanathan Venkatramani	Chief Financial Officer	75,00,008	Permanent	CA	28 yrs.	01.07.1995	51 yrs.	MKJ Enterprises	0.00 (2 Eq. shares)	No
5	Vinit Kumar Tiwari	Country Head - Sales & Marketing (PBD)	1,10,00,008	Permanent	MBA	23 yrs.	12.09.2013	46 yrs.	Ultra Tech Cement Limited	Nil	No
6	Yogesh Arora	Country Head-MDF (EPD)	77,86,000	Permanent	B.Sc.	29 yrs.	04.04.2009	59 yrs.	Bajaj Eco-Tec Products Ltd.	Nil	No
7	NavinMahotra	Country Head-Flooring (EPD)	82,50,000	Permanent	MBA	19 yrs.	01.08.2014	43 yrs.	Ultra Tech Cement Ltd.	Nil	No

Notes:

1. Remuneration shown above includes salary, allowances, cost of accommodation, medical reimbursement, contribution to provident fund, variable performance pay and other perquisites as per the terms of employment.
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. Within the meaning of Section 2(77) of the Companies Act, 2013 (a) Mr. Shiv Prakash Mittal and Mr. Rajesh Mittal (b) Mr. Shiv Prakash Mittal and Mr. Shobhan Mittal are related to each other.

For and on behalf of the Board of Directors

**Shiv Prakash Mittal**  
Executive Chairman  
(DIN: 00237242)

Date: May 25, 2015  
Place: Kolkata

## Corporate Governance Report

**for the year 2014-15**  
**(As required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges)**

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2015.

### 1. COMPANY'S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE

The Company has complied with the principles and practices of good 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 good governance process represents the foundation of corporate excellence. We have adopted various codes and policies to carry out our duties and responsibilities in ethical manner.

### 2. BOARD OF DIRECTORS

#### Composition:

As on March 31st, 2015, the Board of the Company comprised of the following 9 directors headed by an Executive Chairman.

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	Other	Member	Chairman
Mr. Shiv Prakash Mittal (DIN 00237242)	Executive Chairman- Promoter Director	4	4	Yes	1	2	-	4	1
Mr. Rajesh Mittal (DIN 00240900)	Managing Director- Promoter Director	4	4	No	1	9*	-	-	-
Mr. Saurabh Mittal# (DIN 00273917)	Joint Managing Director & CEO- Promoter Director	4	3	No	N.A.#	N.A.#	N.A.#	N.A.#	N.A.#
Mr. Shobhan Mittal (DIN 00347517)	Joint Managing Director & CEO- Promoter Director <sup>§</sup>	4	3	No	1	9 <sup>@</sup>	-	-	-
Mr. Moina Yometh Konyak (DIN 00669351)	Non-Executive-Non-Independent Director	4	1	No	-	-	-	-	-
Mr. Susil Kumar Pal (DIN 00268527)	Non-Executive-Independent Director	4	4	Yes	2	-	-	4	-
Mr. Vinod Kumar Kothari (DIN 00050850)	Non-Executive-Independent Director	4	3	No	2	3	2	4	1
Mr. Anupam Kumar Mukerji (DIN 00396878)	Non-Executive-Independent Director	4	4	Yes	-	-	-	-	-
Ms. Sonali Bhagwati Dalal (DIN 01105028)	Non-Executive-Independent Director	4	1	No	1	2	-	2	-
Mr. Upendra Nath Challu (DIN 05214065)	Non-Executive-Independent Director	4	4	Yes	1	-	-	1	1

\* including directorship in three foreign companies.

# Ceased to be a Director w.e.f 11.11.2014.

- Three Executive Promoter Directors;
- One Non-executive-Non-Independent Director
- Five 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 2014-15, four (4) Board Meetings were held on 29th May, 2014, 18th July, 2014, 4th November, 2014 and 5th February, 2015.

The composition of the Board of Directors and their attendance at the Board Meetings during 2014-15 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, 2015 are:

\$ Change of designation from Executive Director to Joint Managing Director & CEO w.e.f 05.02.2015, subject to approval of shareholders at the ensuing annual general meeting.

@ including directorship in three foreign companies.

\*\* All committees including Chairmanship / membership of the Audit Committee and the Stakeholders' Relationship Committee have been considered.

#### INFORMATION SUPPLIED TO THE BOARD OF DIRECTORS:

During 2014-15, all necessary information, as required under the applicable provisions of the Companies Act, 1956, the Companies Act, 2013, Listing Agreement and other applicable laws and rules were placed and discussed at the board meetings.

#### Details of Director seeking appointment/re-appointment at the forthcoming Annual General Meeting:

Name of the Director	Mr. Moina Yometh Konyak
Father's Name	Late Moina Konyak
Date of Birth	August 02, 1957
Date of Appointment	April 16, 1996
Expertise in specific functional areas	Mr. Moina Yometh Konyak was associated with his family business of trading in timber prior to joining our Company. He has more than twenty one years of experience in the timber business.
Qualification	B.Com.
List of outside directorship held excluding alternate directorship	Nil
Chairman/Member of the Committee of the Board of Directors of the Company	Chairman: Nil Member: Nil
Chairman/member of the committee of the Board of Directors of other companies in which he/she is a director	Chairman: Nil Member: Nil
Number of Equity Shares held in the Company.	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) and Mr. Shobhan Mittal (Son)
Mr. Rajesh Mittal	Managing Director- Promoter Director	Mr. Shiv Prakash Mittal (Brother)
Mr. Shobhan Mittal	Joint Managing Director & CEO- Promoter Director	Mr. Shiv Prakash Mittal (Father)
Mr. Moina Yometh Konyak	Non-Executive- Non-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

#### 3. CODE OF CONDUCT

The Code of Conduct for Board Members and Senior Management of the Company is available on the Company's website [www.greenply.com](http://www.greenply.com). Annual declaration by the Joint Managing Director & CEO of the Company pursuant to Clause 49(II)(E) of the Stock Exchanges Listing Agreement is attached with the Annual Report.

#### 4. AUDIT COMMITTEE

##### Composition:

As on March 31, 2015, the Company's Audit Committee comprises four Non-Executive Independent Directors, and two Executive-Promoter Directors. The Company Secretary acts as a Secretary to the Audit Committee.  
Mr. Susil Kumar Pal, Chairman  
Mr. Rajesh Mittal  
Mr. Shobhan Mittal  
Mr. Vinod Kumar Kothari  
Mr. Anupam Kumar Mukerji  
Mr. Upendra Nath Challu

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

##### Terms of Reference:

##### Powers and role of the Audit Committee:

The powers of Audit Committee include the following:

##### Powers:

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

##### Role:

The role of the Audit Committee includes the following:

- 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;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, and examination of the financial statements

and auditor's report thereon before submission to the board for approval, with particular reference to:

- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions
  - 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/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  - Review and monitor the auditor's independence and performance, and effectiveness of audit process;
  - Approval or any subsequent modification of transactions of the company with related parties;
  - Scrutiny of inter-corporate loans and investments;
  - Valuation of undertakings or assets of the company, wherever it is necessary;



11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;

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	1
Mr. Rajesh Mittal®	Executive Promoter Director	4	3
Mr. Shobhan Mittal#	Executive Promoter Director	4	2
Mr. Anupam Kumar Mukerji	Non-Executive Independent Director	4	4
Mr. Vinod Kumar Kothari	Non-Executive Independent Director	4	3
Mr. Upendra Nath Challu	Non-Executive Independent Director	4	4

19. 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;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

#### Review of information by the Audit Committee:

The Audit Committee reviews the following information:

- a. Management discussion and analysis of financial condition and results of operations;
- b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

#### Meetings and attendance:

- During 2014-15, four meetings of Audit Committee were held on May 29, 2014, July 18, 2014, November 4, 2014 and February 5, 2015 and the attendance of Member Directors are as follows:

\* Ceased to be a member of the Audit Committee at the Board Meeting held on 29.05.2014

@ Appointed as a member of the Audit Committee at the Board Meeting held on 29.05.2014

# Appointed as a member of the Audit Committee at the Board Meeting held on 29.05.2014

#### 5. SUBSIDIARIES

Details of the subsidiaries of the Company and their business activities are provided in the Directors' Report forming part of the Annual Report of the Company.

#### 6. NOMINATION AND REMUNERATION COMMITTEE

During the year, at a meeting of the Board of Directors of the Company held on 29th May, 2014 in compliance with the provisions of the Companies Act, 2013 and the Listing Agreement, the Board has renamed its "Remuneration Committee" as the "Nomination and Remuneration Committee".

#### Composition:

As on March 31, 2015, the Company's Nomination and Remuneration Committee comprises three Non-Executive Independent Directors and one Executive-Promoter Director. The Company Secretary acts as a Secretary to the Nomination and Remuneration Committee.  
Mr. Susil Kumar Pal, Chairman  
Mr. Anupam Kumar Mukerji, Member  
Mr. Vinod Kumar Kothari, Member  
Mr. Shiv Prakash Mittal, Member

#### Terms of Reference:

The Nomination and Remuneration Committee is responsible for, among other things, as may be required by the Company from time to time, the following:

To formulate criteria for:

- a. determining qualifications, positive attributes and independence of a director;

- b. evaluation of independent directors and the Board

To devise the following policies on:

- a. remuneration including any compensation related payments of the directors, key managerial personnel and other employees and recommend the same to the board of the Company;
- b. board diversity laying out an optimum mix of executive, independent and non-independent directors keeping in mind the needs of the Company.

To identify persons who are qualified to:

- a. become directors in accordance with the criteria laid down, and recommend to the Board the appointment and removal of directors;
- b. be appointed in senior management in accordance with the policies of the Company.

To carry out evaluation of the performance of every director of the Company;

To express opinion to the Board that a director possesses the requisite qualification(s) for the practice of the profession in case the services to be rendered by a director are of professional nature.

To carry out such other business as may be required by applicable law or considered appropriate in view of the general terms of reference and the purpose of the Nomination and Remuneration Committee.

#### Meetings and Attendance:

During 2014-15, two meetings of Nomination and Remuneration Committee were held on July 17, 2014, February 5, 2015 and the attendance of Member Directors are as follows:

Name of the Members	Category	No. of Meetings	
		Held	Attended
Mr. Susil Kumar Pal	Non-Executive Independent Director	2	2
Mr. Anupam Kumar Mukerji	Non-Executive Independent Director	2	2
Mr. Vinod Kumar Kothari	Non-Executive Independent Director	2	1
Mr. Shiv Prakash Mittal*	Executive Promoter Director	2	Nil

# Appointed as a member of the Nomination and Remuneration Committee at the Board Meeting held on 04.11.2014

### Remuneration policy, details of remuneration and other terms of appointment of Directors:

A brief outline of the Remuneration policy is mentioned in the Directors' Report, forming part of the Annual Report.

The Remuneration Policy of the Company prepared in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 (IV) of the equity listing agreements is uploaded on the website of the Company.

The web link is <http://www.greenply.com/images/pdf/Greenply-remuneration-policy.pdf>

### Remuneration of Directors

#### (I) Executive Directors

The details of remuneration including commission to all Executive Directors for the year ended on March 31, 2015 are as follows and the same is within the ceiling prescribed under the applicable provisions of the Companies Act, 2013.

Name and designation	Service contract/ Notice period*	Salary (₹)	Commission (₹)	Provident Fund (₹)	Perquisites and other allowances (₹)
Mr. Shiv Prakash Mittal (Executive Chairman)	Reappointed for five years w.e.f. February 01, 2012	1,56,00,000	20818000	18,72,000	16,17,000
Mr. Rajesh Mittal (Managing Director)	Reappointed for five years w.e.f. January 01, 2011	1,44,00,000	20818000	17,28,000	20,58,000
Mr. Shobhan Mittal (Jt. Managing Director & CEO)	Reappointed for five years w.e.f. September 01, 2011	1,20,00,000	20818000	14,40,000	5,95,980

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

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.

#### (II) Non-Executive Directors

The details of sitting fees and annual commission (excluding applicable service tax) to Non-Executive Directors for the financial year 2014-15 are as follows:

Name	Service contract/Notice period	Sitting fees paid (₹)	Commission payable* (₹)	Number of shares and convertible instruments held in the Company
Mr. Moina Yometh Konyak	Retire by rotation	15,000	10,00,000	Nil
Mr. Susil Kumar Pal	Not liable to Retire by rotation	2,10,000	10,00,000	Nil
Mr. Vinod Kumar Kothari	Not liable to Retire by rotation	1,55,000	10,00,000	Nil
Mr. Anupam Kumar Mukerji	Not liable to Retire by rotation	2,00,000	10,00,000	Nil
Ms. Sonali Bhagwati Dalal	Not liable to Retire by rotation	15,000	10,00,000	Nil
Mr. Upendra Nath Challu	Not liable to Retire by rotation	1,50,000	10,00,000	Nil

\*subject to approval of the shareholders at the ensuing Annual General Meeting.

### Criteria for making payment to Non-Executive Directors:

In terms of Clause 49(VIII)(C)(3) of the Equity Listing Agreement, the Company has formed criteria for making payment to Non-Executive Directors which has been uploaded on the Company's website. The weblink as required under Listing Agreements is as under:

<http://www.greenply.com/images/pdf/Remuneration-Criteria-for-Non-Executive-Directors.pdf>

### Criteria for performance Evaluation of Independent Directors:

The Criteria for performance Evaluation of Independent Directors is disclosed in the Board's Report.

### 7. STAKEHOLDERS RELATIONSHIP COMMITTEE

During the year, at a meeting of the Board of Directors held on 29th May 2014, in compliance with the provisions of the Companies Act, 2013 and the Listing

Agreement, the Board has renamed its existing "Share Transfer and Investors Grievance Committee" as the "Stakeholders Relationship Committee". The composition and terms of reference of Stakeholders Relationship Committee are as follows:

#### Composition:

The Stakeholders Relationship Committee comprises two Executive Promoter Directors and two Non-Executive Independent Directors.

Mr. Anupam Kumar Mukerji, Chairman  
Mr. Rajesh Mittal  
Mr. Shobhan 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.

#### Terms of Reference for the Committee:

The Stakeholders Relationship Committee is responsible for, among other things, as may be required by the Company from time to time, the following:

- To ensure proper and timely attendance and redressal of grievances of security holders of the Company in relation to:
  - Transfer of shares,
  - Non-receipt of annual reports,
  - Non-receipt of declared dividend,
  - All such complaints directly concerning the shareholders / investors as stakeholders of the Company; and
  - Any such matters that may be considered necessary in relation to shareholders and investors of the Company.

- Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

- To review and / or approve applications for transfer, transmission, transposition and mutation of share certificates including issue of duplicate certificates and new certificates on split / sub-division / consolidation / renewal and to deal with all related matters.

- To review and approve requests of dematerialization and rematerialisation of securities of the Company and such other related matters;
- Appointment and fixing of remuneration of RTA and overseeing their performance;
- Review the status of the litigation(s) filed by/against the security holders of the Company;
- Review the status of claims received for unclaimed shares;
- Recommending measures for overall improvement in the quality of investor services;
- Monitoring implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992;
- Review the impact of enactments/ amendments issued by the MCA/ SEBI and other regulatory authorities on matters concerning the investors in general;
- Such other matters as per the directions of the Board of Directors of the Company and/ or as required under Clause 49 of the Listing Agreements relating to Corporate Governance, as amended, from time to time.
- Any other issue within terms of reference.

The table gives the number of complaints received, resolved and pending during the year 2014-15.

#### Number of complaints:

Received	Resolved	Pending
12	12	Nil

During 2014-15, four meetings of Stakeholders Relationship Committee were held on 29th May, 2014, 17th July, 2014, 3rd November, 2014 and 5th February, 2015 and the attendance of Member Directors are as follows:



Name of the Members	Category	No. of Meetings	
		Held	Attended
Mr. Anupam Kumar Mukerji	Non-Executive-Independent Director	4	4
Mr. Rajesh Mittal	Executive Promoter Director	4	2
Mr. Shobhan Mittal	Executive Promoter Director	4	2
Mr. Susil Kumar Pal	Non-Executive-Independent Director	4	4

## 8. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Corporate Social Responsibility (CSR) Committee of the Company was constituted by the Board at its meeting held on 29th May, 2014 in compliance with the provisions of the Companies Act, 2013 read with Rules made thereunder. As on March 31, 2015, the Committee comprised Mr. Rajesh Mittal, Mr. Shobhan Mittal, Mr. Vinod Kumar Kothari and Mr. Upendra Nath Challu. The terms of reference of CSR Committee are as follows:

1. To formulate, monitor and recommend to the Board the CSR Policy including the activities to be undertaken by the Company;
2. To recommend the amount of expenditure to be incurred on the activities undertaken;
3. To monitor the implementation of the framework of Corporate Social Responsibility Policy;

4. To evaluate the social impact of the Company's CSR Activities;
5. To review the Company's disclosure of CSR matters;
6. To submit a report on CSR matters to the Board at such intervals and in such format as may be prescribed.
7. To consider other functions, as defined by the Board or as may be stipulated under any law, rule or regulation including the listing agreement, Corporate Social Responsibility Voluntary Guidelines 2009 and the Companies Act, 2013.

During 2014-15, two meetings of CSR Committee were held on 18th July, 2014 and 5th November, 2014 and the attendance of Member Directors are as follows:

Name of the Members	Category	No. of Meetings	
		Held	Attended
Mr. Rajesh Mittal	Executive-Promoter Director	2	2
Mr. Shobhan Mittal	Executive-Promoter Director	2	1
Mr. Vinod Kumar Kothari	Non-Executive-Independent Director	2	2
Mr. Upendra Nath Challu*	Non-Executive-Independent Director	2	1

\* Appointed as a member of the CSR Committee at the Board Meeting held on 18.07.2014

## 9. OPERATIONAL COMMITTEE

As on March 31, 2015, the Committee comprised Mr. Shiv Prakash Mittal, Mr. Rajesh Mittal, Mr. Shobhan 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.

Prakash Mittal, Mr. Vinod Kumar Kothari and Mr. Susil Kumar Pal to exercise various powers of the Board in respect of Scheme of Arrangement between Greenply Industries Limited and Greenlam Industries Ltd. During 2014-15, one meeting of Demerger Committee was held on 17th November, 2014.

## 10. DEMERGER COMMITTEE

The Board of Directors at their meeting held on September 30, 2013, constituted the Demerger Committee comprising Mr. Shiv

## 11. GENERAL BODY MEETINGS

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

Financial year ended	Date of AGM	Venue	Time
March 31, 2014	22-08-2014 (24th AGM)	"ROYALIDE", Hotel Royal Highness, G.N.B Road, Tinsukia, Assam - 786 125	10:00 A.M
March 31, 2013	23-08-2013 (23rd AGM)	Makum Road, Tinsukia, Assam - 786 125	10:00 A.M.
March 31, 2012	24-08-2012 (22nd 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 24th Annual General Meeting held on August 22, 2014:

- a. Resolution in respect of authorisation to the Board of Directors of the Company, under Section 180(1)(c) of the Companies Act, 2013, to borrow up to ₹ 2,000 crores.
- b. Resolution in respect of authorisation to the Board of Directors of the Company, under Section 180(1)(a) of the Companies Act, 2013, to create mortgages, hypothecations or charges on the assets of the Company for securing the borrowings up to ₹ 2,000 crores.
- c. Resolution under Section 14 of the Companies Act, 2013 for adoption of new Articles of Association of the Company.
- d. Resolution for approval of the contracts/arrangements of the Company for sale of products to related parties under Section 188 of the Companies Act, 2013
- e. Resolution for approval of the contracts/arrangements of the Company to purchase raw materials, semi-finished and finished goods from a related party under Section 188 of the Companies Act, 2013.
- f. Resolution for Approval to give guarantee or provide security in respect of loan made to the subsidiaries Greenlam Asia Pacific Pte. Ltd., Greenlam America, Inc. and Greenlam Europe (UK) Limited.

- g. Resolution for approval to give guarantee or provide security in respect of loan made to the subsidiary Greenply Trading Pte. Ltd. and joint venture company Greenply Alkema (Singapore) Pte. Ltd.

- h. Resolution for approval of the lease/leave and license agreement with Prime Holdings Private Limited under Section 188 of the Companies Act, 2013.

- i. Resolution for approval of the lease/leave and license agreement with Prime Properties Private Limited under Section 188 of the Companies Act, 2013.

- j. Resolution for approval of the lease/leave and license agreement with S. M. Management Private Limited under Section 188 of the Companies Act, 2013.

- k. Resolution for Approval of the lease/leave and license agreement with Trade Combines, Partnership Firm under Section 188 of the Companies Act, 2013.

- l. Resolution for Approve the lease/leave and license agreement with Himalaya Granites Limited under Section 188 of the Companies Act, 2013.

- m. Resolution for approve the lease/leave and license agreement with RS Homcon Limited under Section 188 of the Companies Act, 2013.

- At the 23rd Annual General Meeting held on August 23, 2013:

- a. Resolution under Section 314(1) (b) of the Companies Act, 1956 to revise the terms of appointment of Ms. Parul Mittal, a relative of Directors of the Company.
- b. Resolution under Section 309(4) of the Companies Act, 1956 for increasing the payment of annual commission to all Non-executive Directors excluding Nominee Directors with effect from the financial year 2012-13.
- 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.
- 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 in the ensuing financial year.

## 12. DISCLOSURES

### a) Related Party Transactions:

The Company does not have materially significant related party transactions, which may have potential conflict with the interest of the Company at large. The Board has approved a policy on related party transactions and also on dealing with related party transactions which has been uploaded on the Company's website. The weblink as required under Listing Agreements is as under:  
[http://www.greenply.com/images/pdf/Related-Party-Transaction\(s\)-Policy.pdf](http://www.greenply.com/images/pdf/Related-Party-Transaction(s)-Policy.pdf)

### b) Compliance:

There has been no non-compliance, penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any other

Statutory Authorities, on any matter related to capital markets during the last three years, except penalty of ₹ 1,123/-(including service tax) was imposed by BSE for delay in filing of shareholding pattern for the quarter ended 30.09.2014 by one day.

### c) Whistle Blower Policy:

In terms of Clause 49 of the Listing Agreement, the Company has established vigil mechanism to enable directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethical policy. The policy offers appropriate protection to the whistle blowers from victimization, harassment or disciplinary proceedings. The Whistle Blower Policy is placed on the website of the Company and weblink to the same is as under:

[http://www.greenply.com/images/pdf/Vigil\\_Mechanism\\_Policy.pdf](http://www.greenply.com/images/pdf/Vigil_Mechanism_Policy.pdf)

The Company has provided opportunities to encourage employees to become whistle blowers. It has also ensured a mechanism within the same framework to protect them from any kind of harm and unfair treatment. It is hereby affirmed that no personnel has been denied access to the Audit Committee.

### d) Details of Compliance with Mandatory requirements and adoption of Non-mandatory requirements of this clause:

Mandatory requirements:

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement on Code of Corporate Governance as prescribed.

Non-Mandatory requirements:

1. Office for non-executive Chairman at company's expense: Not Applicable
2. Half-yearly declaration of financial performance to each household of shareholders: Not adopted
3. Audit Qualifications: There are no audit qualifications on financial statements for FY 2014-2015.
4. Separate posts of Chairman & CEO: Complied

5. Reporting of Internal Auditors directly to Audit Committee: Complied

- e) In addition to Directors' Report, a Management Discussion and Analysis Report forms part of the Annual Report to the shareholders. All Members of the Board and key executives have confirmed that they do not have any direct, indirect or on behalf of third parties, a material interest in any transaction(s) or matter directly affecting the company at large.

### f) Independent Directors' Meeting:

During the year under review, a meeting of the Independent Directors of the Company was convened on 17th March, 2015, inter alia, to perform the following:

- Review the performance of Non Independent Directors and the Board as a whole;
- review the performance of the Chairperson of the Company, taking into account the views of the Executive Directors and Non-Executive Directors;
- Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The following Independent Directors were present at the Meeting:

Mr. Anupam Kumar Mukerji  
 Mr. Vinod Kumar Kothari  
 Mr. Susil Kumar Pal  
 Mr. Upendra Nath Challu

### g) Familiarisation programme for Independent Directors:

The Company has conducted the Familiarisation program for Independent Directors during the year. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company. The details for the familiarisation programme have been disclosed on the website of the Company at the following web-link.  
<http://www.greenply.com/images/pdf/Familiarisation-program-for-Independent-Directors.pdf>

### h) Policy for determining 'material' subsidiaries':

The Company has formed the policy for determining 'material' subsidiaries'. The same has been placed on the website of the Company and weblink to the same is as under:  
<http://www.greenply.com/images/pdf/Policy-for-determining-Material-Subsidiaries.pdf>

- i) **Shareholding of Non-Executive Directors:**  
 None of the Non-Executive Directors hold any shares in the Company.

### j) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has in place a Policy on prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. During the year the Company had not received any complaint.

### k) Unclaimed Dividends:

Pursuant to the provisions of Companies Act, 1956 as amended from time to time and/or relevant corresponding provisions of Companies Act, 2013 once notified, dividends that are unpaid/unclaimed for a period of seven years are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) administered by the Central Government. Given below are the dates of declaration of dividend and corresponding dates when unpaid/unclaimed dividends are due for transfer to IEPF:



Financial Year ended	Date of declaration of dividend	Due Date for transfer to IEPF
31.03.2008	07.08.2008	12.09.2015
31.03.2009	07.08.2009	12.09.2016
31.03.2010	06.08.2010	11.09.2017
31.03.2011	19.08.2011	24.09.2018
31.03.2012	24.08.2012	28.09.2019
31.03.2013	23.08.2013	28.09.2020
31.03.2014	22.08.2014	27.09.2021

- I) 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.

### 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 [www.greenply.com](http://www.greenply.com). The official press releases and/or presentation 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 or Dainik Batori (Assamese daily), Business Standard, Hindu Business Line among others
Any website, where displayed	<a href="http://www.greenply.com">www.greenply.com</a>
Whether it also displays official news releases and presentation made to institutional investors or to the analysts.	Yes

### 14. GENERAL SHAREHOLDERS' INFORMATION

<b>i. Date, time and venue of the Annual General Meeting</b>	Tuesday, August 25, 2015 10:00 a.m. at "ROYALIDE", Hotel Royal Highness, G.N.B Road, Tinsukia, Assam- 786 125.
<b>ii. Financial Year</b>	Financial year of the Company is from April 01 to March 31.  Publication of results for the financial year 2015-16 (tentative and subject to change)  First quarter results: On or before August 14, 2015  Second quarter and half year results: On or before November 14, 2015  Third quarter results: On or before February 14, 2016  Fourth quarter results and results for the year ending March 31, 2016: On or before May 30, 2016.
<b>iii. Dates of book closure</b>	From July 10, 2015 to July 14, 2015 (both days inclusive)
<b>iv. Dividend payment date</b>	Between August 29, 2015 and September 2, 2015

<b>v. Listing of Equity Shares at Stock Exchanges:</b>	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
<b>vi. Stock Code/Symbol</b>	BSE: 526797 NSE: GREENPLY

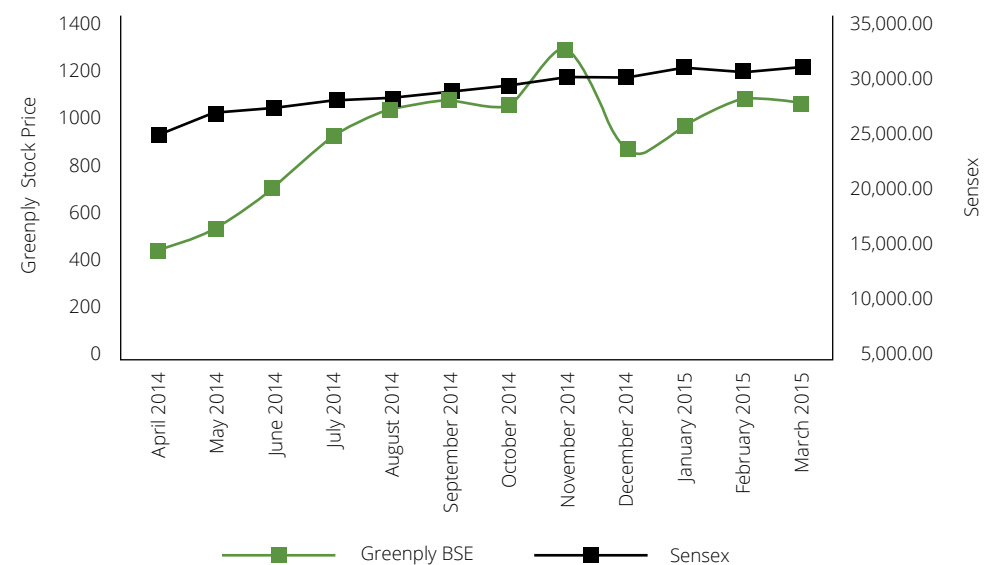
### vii. Market price data for the financial year 2014-15:

Month	At BSE		At NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2014	439.00	361.00	439.00	350.50
May 2014	535.00	360.15	529.00	360.35
June 2014	705.90	518.00	704.95	515.20
July 2014	917.70	701.50	919.00	700.00
August 2014	1,025.00	802.10	1,020.00	811.05
September 2014	1,065.45	920.00	1,069.00	920.15
October 2014	1,040.00	870.65	1,045.00	865.00
November 2014	1,276.80	855.70	1,275.50	855.70
December 2014	857.00	699.00	840.00	700.00
January 2015	953.80	813.00	959.75	823.00
February 2015	1,070.00	877.00	1,056.00	856.00
March 2015	1,050.00	810.00	1,060.00	910.00

### viii. E-mail ID for Investors: [investors@greenply.com](mailto:investors@greenply.com)

### ix. Performance in comparison to broad based indices such as BSE Sensex, CRISL index among others Greenply shares performance:

#### Greenply High Vs. Sensex High



<b>x. Registrars &amp; Share Transfer Agents</b>	M/s. S. K. Infosolutions Pvt. Ltd. 34/1A, Sudhir Chatterjee Street Kolkata – 700 006 Phone: (033)-2219-4815/6797 Fax: (033)-2219-4815
<b>xi. Share Transfer System</b>	The Company has a Committee of the Board of Directors called Stakeholders Relationship 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, 2015.**

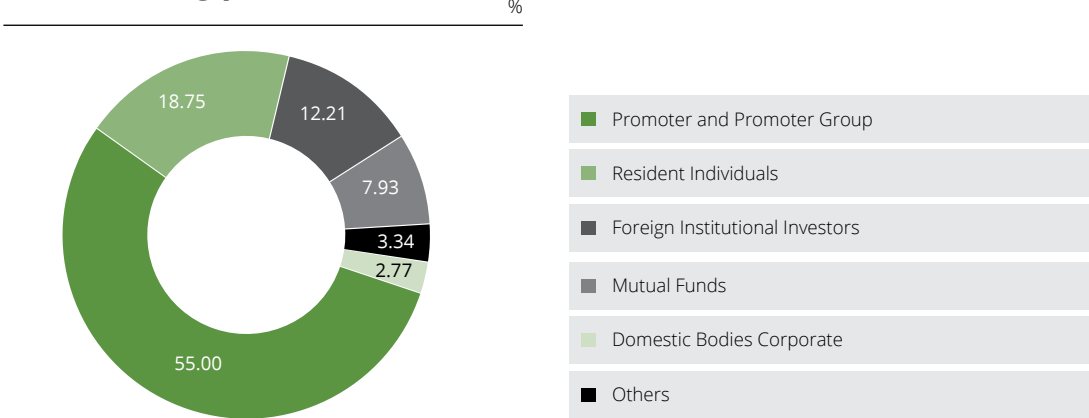
a. Distribution of shareholding by size is as given below:

Range in number of shares held	Number of shareholders	Percentage of shareholders	Number of shares held	Percentage of shares held
1-500	4287	90.65	310551	1.28
501-1,000	179	3.78	132703	0.55
1,001-2,000	109	2.30	156911	0.65
2,001-3,000	51	1.08	127501	0.53
3,001-4,000	15	0.32	54223	0.22
4,001-5,000	16	0.34	75022	0.31
5,001-10,000	17	0.36	115403	0.48
10,001-50,000	23	0.49	510542	2.12
50,001-100,000	7	0.15	479166	1.99
100,001 and Above	25	0.53	22174352	91.87
<b>Total</b>	<b>4729</b>	<b>100.00</b>	<b>24136374</b>	<b>100.00</b>

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

Category of shareholders	Number of shares	Percentage of shares
Promoter and Promoter Group	1,32,75,000	55.00
Foreign Institutional Investors	29,46,190	12.21
Mutual Funds	19,13,642	7.93
Domestic Bodies Corporate	6,69,300	2.77
Resident Individuals	45,25,333	18.75
Others	8,06,909	3.34
<b>Total</b>	<b>2,41,36,374</b>	<b>100.00</b>

## Shareholding pattern



<b>xiii. Dematerialisation of shares and liquidity</b>	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 99.86% of total listed Equity Shares have been dematerialised as on March 31, 2015.
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<b>xiv. Outstanding ADRs/GDRs/Warrants or any other convertible instruments, conversion date and likely impact on equity: Nil.</b>
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**xv. Corporate Identity Number (CIN):** L20211AS1990PLC003484

<b>xvi. Plant locations:</b>	
<div>Plywood &amp; allied products</div> <ul style="list-style-type: none"> <li>P.O. Tizit, Dist: Mon, Nagaland</li> <li>Kriparampur P.O.Sukhdevpur, Dist: 24Parganas(S), West Bengal</li> <li>Plot No. 910-913, G.I.D.C. Estate, Bamanbore, Dist. Surendranagar, Gujarat - 363 520</li> </ul>	<div>Medium density fibreboard &amp; Laminated Flooring</div> <ul style="list-style-type: none"> <li>Integrated Industrial Estate, Pantnagar, Udham Singh Nagar, Uttarakhand</li> </ul> <div>Plywood &amp; reconstituted veneers</div> <ul style="list-style-type: none"> <li>Integrated Industrial Estate, Pantnagar, Udham Singh Nagar, Uttarakhand</li> </ul>



#### xvii. Address for correspondence:

1. 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: skcdilip@gmail.com/contact@skcinfo.com
2. Company Secretary & Vice President-Legal  
Greenply Industries Limited  
“Madgul Lounge”  
5th & 6th Floor  
23 Chetla Central Road  
Kolkata - 700 027, India  
Phone: (033)-3051-5000  
Fax: (033)-3051-5010  
Email : investors@greenply.com

On behalf of the Board of Directors

Place: Kolkata  
Date: 25.05.2015

**Shiv Prakash Mittal**  
Executive Chairman  
(DIN: 00237242)

## 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 on March 31, 2015, 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.

In our opinion and to the best of our information and according to explanation given to us and based on the representations made by the Directors and the Management, 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 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. 010928

Place: Kolkata  
Dated: May 25, 2015

## 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 Ltd.**

In accordance with Clause 49(II)(E) 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 on 31st March, 2015.

Place: Kolkata  
Dated: 25 May, 2015

**Shobhan Mittal**  
Joint Managing Director & CEO  
(DIN: 00347517)

## CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

pursuant to Clause 49 of the Listing Agreement

To  
The Board of Directors  
**Greenply Industries Ltd.**

- (a) We have reviewed the financial statements and the cash flow statement for the financial year ended on 31st March, 2015 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 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 that there are no
- (i) Significant changes in internal control over financial reporting during the year;
  - (ii) Significant changes in accounting policies during the year; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

### Shobhan Mittal

Joint Managing Director & CEO  
(DIN: 00347517)

Place: Kolkata

Dated 25 May, 2015

### Vishwanathan Venkatramani

Chief Financial Officer

## Independent Auditor's Report

To  
The Members of  
**Greenply Industries Limited**

### REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of GREENPLY INDUSTRIES LIMITED ("the Company"), which comprise the Balance sheet as at March 31, 2015 the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at March 31, 2015 and its profit and its cash flows for the year ended on that date.



## Independent Auditor's Report

### EMPHASIS OF MATTER

We draw attention to Notes nos. 32, 3.1 and 7.1 to the financial statements which describe the effect of the Scheme of Arrangement on the Company and reciprocal charges, mortgages and encumbrances on the immovable assets of the Company and of Greenlam Industries Limited, respectively.

Our opinion is not modified in respect of these matters.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

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

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

(b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.

(c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us.

(d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) on the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and

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

i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note no. 30.1.1 to the financial statements;

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

For **D. DHANDARIA & COMPANY**

Chartered Accountants  
ICAI Firm Reg. No. 306147E

**(Dindayal Dhandaria)**

Partner  
Membership No. 010928

Place of Signature: Kolkata  
Dated: May 25, 2015

## Annexure to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2015 we report that:

1. (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.

2. (a) As explained to us, the inventories have 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) On the basis of our examination of the record of inventories, we are of the opinion that, the Company is maintaining proper records of inventories. The discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.

3. (a) The Company has granted loans to a body corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

(b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrower repaid the loan with interest as stipulated.

(c) There are no unpaid amounts of more than rupees one lakh in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act.

4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.

5. The Company has not accepted any deposits from the public.

6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, which apply to the Company.

7. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. Although there has been delay in few cases, there are no undisputed statutory dues outstanding for a period of more than six months from the date they become payable.

## Annexure to the Independent Auditors' Report

(b) According to the information and explanations given to us, the following disputed amounts of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited:

**Statement of Disputed Dues**

Sl. No.	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)	67.08	2000 - 2001	Assistant Commissioner of Commercial Taxes, South Circle, Kolkata.
iii)	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.
iv)	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)	8.72	2005 - 2006	West Bengal Commercial Taxes Appellate & Revision Board, Kolkata.
iii)	Central Sales Tax Act, 1956	Sales Tax (For Non allowance of Declaration Form C & F)	74.63	2008 - 2009	Calcutta High Court, Kolkata
C) i)	Bihar Value Added Tax Act, 2005	Denial of Entry Tax Credit	35.04	2009 - 2010	Joint Commissioner of Commercial Taxes (Appeals), East & West Division, Patna
ii)	Bihar Value Added Tax Act, 2005	Denial of Entry Tax Credit	19.75	2008 - 2009	Joint Commissioner of Commercial Taxes (Appeals), East & West Division, Patna
iii)	Bihar Value Added Tax Act, 2005	Denial of Entry Tax Credit	33.14	2011 - 2012	Joint Commissioner of Commercial Taxes (Appeals), East & West Division, Patna
D)	Karnataka VAT Act, 2003	Re-assessed VAT Amount and Interest	18.87	2007 - 2008	JCCT (Appeal), BANGALORE
E) i)	Central Excise Act, 1944	For Imposition of Penalty (appeal filed by the department)	43.71	2000 - 2001 to 2005 - 2006	Before CESTAT, East Zonal Bench, Kolkata
ii)	Central Excise Act, 1944	Disallowance of Cenvat Credit	19.71	2005 - 2006 & 2006 - 2007	Commissioner (Appeals), Kolkata-I

**Statement of Disputed Dues**

Sl. No.	Name of the Statute	Nature of the Dues	Amount (in ₹ Lacs)	Period to which the amount relates (Financial Year)	Forum where dispute is pending
iii)	Central Excise Act, 1944	Imposition of Penalty on Cenvat Credit	19.71	2005 - 2006 & 2006 - 2007	Commissioner (Appeals), Kolkata-I
iv)	Central Excise Act, 1944	For imposition of Penalty	7.35	2006 - 2007 & 2007 - 2008	Commissioner (Appeals), Kolkata-I
v)	Central Excise Act, 1944	Alleged Short Payment of Excise Duty	370.55	2010 - 2013	Before CESTAT, Kolkata
vi)	Central Excise Act, 1944	Penalty on Above	201.19	2010 - 2013	Before CESTAT, Kolkata
vii)	Central Excise Act, 1944	Duty on Resin in Negative List	286.93	01.03.2006 to 28.02.2013	Before CESTAT, Meerut-II
viii)	Central Excise Act, 1944	Penalty on Above	286.93	01.03.2006 to 28.02.2013	Before CESTAT, Meerut-II
F)	Income Tax Act, 1961	Disallowance under section 14A	8.94	2011 - 2012	Commissioner of Income Tax (Appeals) - 20 Kolkata
G)	Forest Act, 1927	Timber Transit Fee	152.22	07.08.2012 to 06.02.2014	High Court, Nainital
H)	Mandi Samiti Act, 2011	Mandi Samiti Fee	649.99	01.11.2011 to 31.03.2015	High Court, Nainital

(c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.

8. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.

9. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks during the year. The Company has not issued any debentures and has not taken any loans from the financial institutions.

10. In our opinion and according to the information and the explanations given to us, the Company has given guarantee for loan

taken from a bank by a subsidiary of Greenlam Industries Limited - the Resulting Company pursuant to a scheme of arrangement and the terms and conditions are not prejudicial to the interest of the Company.

11. In our opinion and according to the information and the explanations given to us, the term loans have been applied for the purposes for which they were raised.

12. According to the information and explanations given to us, no material fraud on or 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. 010928

Place of Signature: Kolkata

Dated: May 25, 2015

# Balance Sheet

as at March 31, 2015

		₹ in Lacs	
	Note No.	As at March 31, 2015	As at March 31, 2014
<b>EQUITY AND LIABILITIES:</b>			
<b>Shareholders' Funds :</b>			
Share Capital	1	1206.82	1206.82
Reserves & Surplus	2	47190.91	57105.75
		48397.73	58312.57
<b>Non-current Liabilities :</b>			
Long-Term Borrowings	3	12660.74	26104.87
Deferred Tax Liabilities (Net)	4	4030.33	4860.96
Other Long Term Liabilities	5	1026.52	814.23
Long-Term Provisions	6	1565.92	1980.81
		19283.51	33760.87
<b>Current Liabilities</b>			
Short-Term Borrowings	7	13167.69	28845.77
Trade Payables		22492.28	33125.98
Other Current Liabilities	8	9972.86	17144.36
Short-Term Provisions	9	1335.58	1085.88
		46968.41	80201.99
<b>Total :</b>		<b>114649.65</b>	<b>172275.43</b>
<b>ASSETS :</b>			
<b>Non-current Assets</b>			
<b>Fixed Assets :</b>	10		
Tangible Assets		53005.67	67856.96
Intangible Assets		298.22	672.71
Capital Work-in-Progress		1390.70	9498.60
		54694.59	78028.27
<b>Non-current Investments</b>	11	1471.81	3128.89
<b>Long Term Loans &amp; Advances</b>	12	1437.27	5772.71
<b>Other Non-current Assets</b>	13	60.55	-
		57664.22	86929.87
<b>Current Assets</b>			
Current Investments	14	1815.73	-
Inventories	15	19030.39	38287.71
Trade Receivables	16	25721.80	35027.97
Cash & Bank Balances	17	718.83	1079.87
Short Term Loans & Advances	18	9678.49	10920.07
Other Current Assets	19	20.19	29.94
		56985.43	85345.56
<b>Total :</b>		<b>114649.65</b>	<b>172275.43</b>
Significant Accounting Policies			
See Accompanying Notes to the Financial Statements	1 to 48		

As per our annexed report of even date.

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

**(Dindayal Dhandaria)**  
Partner  
Membership No. 010928

Place of Signature : Kolkata  
Dated : May 25, 2015

**Shiv Prakash Mittal**  
Executive Chairman  
(DIN: 00237242)

**Susil Kumar Pal**  
Director  
(DIN: 00268527)

**V. Venkatramani**  
Chief Financial Officer

**Rajesh Mittal**  
Managing Director  
(DIN: 00240900)

**Shobhan Mittal**  
Joint Managing Director & CEO  
(DIN: 00347517)

**K. K. Agarwal**  
Company Secretary

# Statement of Profit and Loss

for the year ended March 31, 2015

		₹ in Lacs	
	NOTE NO.	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>INCOME:</b>			
Sale of Products		161730.54	225114.26
Other Operating Revenue		366.63	149.75
		162097.17	225264.01
Less : Central Excise Duty		5672.13	9312.21
Revenue from Operations	20	156425.04	215951.80
Other Income	21	109.07	675.62
<b>Total Revenue</b>		<b>156534.11</b>	<b>216627.42</b>
<b>EXPENDITURE:</b>			
Cost of Materials Consumed	22	72682.70	116656.21
Purchase of Stock in Trade	23	19054.83	13345.86
Changes in Inventories of Finished Goods, Stock in Process and Stock in Trade	24	(827.80)	(1357.93)
Employees Benefits Expense	25	14497.88	19351.17
Finance Costs	26	3591.30	5829.46
Depreciation & Amortization Expense	27	4706.11	5756.86
Other Expenses	28	30586.57	40222.75
Loss/(Gain) due to Fluctuation in Foreign Exchange Rates		(60.55)	1885.64
<b>Total Expenditure</b>		<b>144231.04</b>	<b>201690.02</b>
<b>Profit before Exceptional Items and Tax</b>		<b>12303.07</b>	<b>14937.40</b>
Exceptional Items - Loss/(Gain)	29	(1575.53)	-
<b>Profit before Tax [including ₹ Nil (Previous Year ₹ 4570.49 Lacs) for discontinued operations - Refer Note No. 33]</b>		<b>13878.60</b>	<b>14937.40</b>
<b>Tax Expense</b>			
Current Tax		2940.50	3130.95
Earlier years Tax		(2.09)	64.10
Add/ (Less) : Mat Credit Entitlement		(963.53)	(531.83)
		1974.88	2663.22
Deferred Tax		(278.01)	827.51
		1696.87	3490.73
<b>Profit for the Year [including ₹ Nil (Previous Year ₹ 3718.59 Lacs) for discontinued operations - Refer Note No. 33]</b>		<b>12181.73</b>	<b>11446.67</b>
<b>Earnings per Equity Share of face value of ₹ 5 each</b>	42		
Basic (in ₹)		<b>50.47</b>	<b>47.42</b>
Diluted (in ₹)		<b>50.47</b>	<b>47.42</b>
Significant Accounting Policies			
See Accompanying Notes to the Financial Statements	1 to 48		

As per our annexed report of even date.

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

**(Dindayal Dhandaria)**  
Partner  
Membership No. 010928

Place of Signature : Kolkata  
Dated : May 25, 2015

**Shiv Prakash Mittal**  
Executive Chairman  
(DIN: 00237242)

**Susil Kumar Pal**  
Director  
(DIN: 00268527)

**V. Venkatramani**  
Chief Financial Officer

**Rajesh Mittal**  
Managing Director  
(DIN: 00240900)

**Shobhan Mittal**  
Joint Managing Director & CEO  
(DIN: 00347517)

**K. K. Agarwal**  
Company Secretary



# Cash Flow Statement

for the year ended March 31, 2015

	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>A. CASH FLOW ARISING FROM OPERATING ACTIVITIES:</b>		
Profit before Taxation, and Extraordinary items	13878.60	14937.40
Add: a) Depreciation & Amortisation Expense	4706.11	5756.86
b) Finance Costs	3591.30	5829.46
c) Provision for Doubtful Debts	150.13	-
d) Loss on Sale / Discard of Fixed Assets	161.21	365.45
e) Miscellaneous Expenditure written off	20.76	25.62
	8629.51	11977.39
	22508.11	26914.79
Less: a) Interest Income	78.95	565.42
b) Unrealised Foreign Exchange Fluctuations	59.61	112.38
c) Dividend Received	0.02	0.09
	138.58	677.89
Operating Profit before Working Capital Changes	22369.53	26236.90
Less: a) Increase in Trade and Other Receivables	4582.15	2574.08
b) Increase in Inventories	(572.97)	5496.32
c) Decrease in Trade Payables	(3119.86)	(5368.27)
	889.32	2702.13
Cash Inflow (+)/Outflow (-) from Operations	21480.21	23534.77
Less: Income Tax Paid	2768.44	3024.92
<b>Net Cash Inflow (+)/Outflow (-) in course of Operating Activities</b>	<b>18711.77</b>	<b>20509.85</b>
<b>B. CASH FLOW ARISING FROM INVESTING ACTIVITIES:</b>		
Outflow		
a) Acquisition of Fixed Assets	9341.19	15459.39
b) Interest amount Capitalised	-	299.97
c) Investment	1908.19	1376.39
	11249.38	17135.75
Less : Inflow		
a) Sale of Fixed Assets	761.96	603.53
b) Interest Received	70.37	539.17
c) Dividend Received	0.02	0.09
	832.35	1142.79
<b>Net Cash Inflow (+) / Outflow (-) in course of Investing Activities</b>	<b>(10417.03)</b>	<b>(15992.96)</b>

# Cash Flow Statement

for the year ended March 31, 2015

	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>C. CASH FLOW ARISING FROM FINANCING ACTIVITIES:</b>		
Inflow		
a) Proceeds from Long Term Borrowings	5000.00	12447.01
b) Short Term Borrowings (Net)	(592.01)	(919.88)
c) Deferred Payment Liabilities (Net)	1010.11	605.80
	5418.10	12132.93
Deduct : Outflow		
a) Miscellaneous Expenditure	71.56	29.36
b) Repayment of Long Term Borrowings	9062.57	10392.59
c) Interest Paid	3671.62	6041.40
d) Dividend Paid	724.09	724.09
e) Corporate Dividend Tax Paid	123.06	123.06
	13652.90	17310.50
<b>Net Cash Inflow in course of Financing Activities</b>	<b>(8234.80)</b>	<b>(5177.57)</b>
<b>Net Increase (+) / Decrease in Cash/Cash Equivalents</b>	<b>59.94</b>	<b>(660.68)</b>
Balance at the beginning of the year	304.60	965.28
Less : Transferred pursuant to Scheme of Arrangement (Refer Note No. 32)	68.30	-
	<b>236.30</b>	<b>965.28</b>
<b>Cash / Cash Equivalents at the close of the year</b>	<b>296.24</b>	<b>304.60</b>

As per our annexed report of even date.

For **D. DHANDARIA & COMPANY**

Chartered Accountants  
ICAI Firm Reg. No. 306147E

**(Dindayal Dhandaria)**

Partner  
Membership No. 010928

Place of Signature : Kolkata  
Dated : May 25, 2015

**Shiv Prakash Mittal**

Executive Chairman  
(DIN: 00237242)

**Susil Kumar Pal**

Director  
(DIN: 00268527)

**V. Venkatramani**

Chief Financial Officer

**Rajesh Mittal**

Managing Director  
(DIN: 00240900)

**Shobhan Mittal**

Joint Managing Director & CEO  
(DIN: 00347517)

**K. K. Agarwal**

Company Secretary

# Significant Accounting Policies

## 1.00 SIGNIFICANT ACCOUNTING POLICIES:

### 1.01 Disclosure of Accounting Policies (AS - 1):

#### 1.01.01 Nature of Operation

Company is engaged in the business of manufacturing plywood and allied products, medium density fibre boards and allied products through its factories at various locations and branches and dealers' network spread all over the country. It has two wholly owned subsidiary companies in overseas countries. The Company imports raw materials for manufacturing and also finished goods for trading. Manufactured goods are sold both in domestic and overseas markets.

Greenply Industries (Myanmar) Pvt. Ltd., subsidiary of the Company is engaged in manufacturing of products which constitutes raw materials to the Company and providing the same to Company and others. Greenply Trading Pte. Ltd., subsidiary of the Company operates as an investment vehicle and has invested into a Joint Venture Company viz. Greenply Alkema (Singapore) Pte. Ltd., based out of Singapore.

#### 1.01.02 Accounting Concepts & Basis of Presentation

The financial Statements are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as specified in the Company (Accounting Standards) Rules 2006 read with Rule 7(1) of the Companies (Accounts) Rules, 2014 and the provisions of the Companies Act, 2013. 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 Company's management evaluates all recently issued or revised accounting standards on an on-going basis.

The Normal Operating Cycle for the Company has been assumed to be of twelve months for classification of its various assets and liabilities into "Current" and "Non-current".

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 lower of cost or net realisable value; and of those in transit and at port related to these items are valued at lower of cost to date or net realisable value.

**1.02.02** Goods-in-process is valued at lower of cost or net realisable value.

**1.02.03** Stock of Finished goods is valued at lower of cost or net realisable value.

**1.02.04** Stock-in-trade is valued at lower of cost or net realisable value.

**1.02.05** Waste and scraps are accounted at estimated realisable value.

**1.02.06** Cost of inventories is ascertained on the 'weighted average' basis. Goods-in-process and finished goods are valued on absorption cost basis.

**1.02.07** Growing Crops and Clonal Plants are valued at lower of cost or net realisable value.

#### 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, cash/cheques in hand and short term investments (excluding pledged

# Significant Accounting Policies

term deposits) 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 Statement of Profit & Loss.

#### 1.06 Depreciation (AS - 6):

**1.06.01** Tangible assets including continuous process plants are depreciated and/or amortised on the basis of their useful lives as notified in Schedule II to the Companies Act, 2013. Depreciation in respect of additions to assets has been charged on pro rata basis with reference to the period when the assets are ready for use. The provision for depreciation for multiple shifts has been made in respect of eligible assets on the basis of operation of respective units. Where the historical cost of a depreciable asset undergoes a change due to increase or decrease in long term liability on account of exchange fluctuations, the depreciation on the revised unamortised depreciable amount is provided prospectively over the residual useful life of the asset.

**1.06.02** Leasehold lands are amortised over the period of lease.

**1.06.03** Intangible assets are amortised on straight-line method as follows :

Goodwill	-	5 years
Trademarks	-	10 years
Computer Software	-	5 years
Technical Know-how	-	3 years

#### 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:** Revenue from sales of goods is recognised on transfer of significant risks and rewards of ownership to the customers. Gross sales shown in the Statement of Profit & Loss are inclusive of Excise Duty and the value of self-consumption and inter-transfers but excludes Trade discounts, CST and VAT. Net sales are shown after deducting Excise duty which is disclosed at appropriate places.

**1.07.02 Services:** Revenue from Services are recognized as and when the services are rendered. The Company collects service tax on behalf of the government and therefore, it is not an economic benefit flowing to the Company and hence excluded from Revenue.

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

**1.07.04 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.

**1.07.05 Insurance Claims:** Insurance Claims are accounted for on acceptance and when there is a reasonable certainty of receiving the same, on grounds of prudence.

#### 1.08 Accounting for Tangible and Intangible Assets (AS - 10):

**1.08.01** Tangible assets are stated at original cost (net of tax/duty credit availed) less accumulated depreciation, amortisation and impairment losses except freehold land which is carried at cost. Cost includes cost of acquisition, construction and installation, taxes, duties, freight, other incidental expenses related to the acquisition, trial run expenses (net of revenue) and pre-operative expenses including attributable borrowing costs incurred during pre-operational period.

**1.08.02** Tangible assets which are not ready for their intended use on reporting date are carried as capital work-in-progress at cost, comprising direct cost and related incidental expenses.

## Significant Accounting Policies

**1.08.03** The Company has exercised the option available to it under Rule 46A of the Companies (Accounting Standards) (Second Amendment) Rules, 2011 in respect of accounting for fluctuations in foreign exchange relating to “Long Term Foreign Currency Monetary Items”.

**1.08.04** Intangible assets are carried at cost, net of accumulated amortization and impairment loss, if any.

### 1.09 Accounting for the Effects in Foreign Exchange Rates (AS - 11):

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

**1.09.02 Conversion:** Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

**1.09.03 Exchange Differences:** Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or expenses in the year in which they arise.

**1.09.04 Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/liability:** The premium or discount arising at the inception of forward exchange contract is recognized as an expense/ income on the date of transaction. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or expense for the period. 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 that are readily realisable and intended to be held for not more than a year are classified as Current investments. All other investments are classified as Non-Current/

Long-term Investments. Current investments are carried at lower of cost and market value on individual investment basis. Non-Current/Long term Investments are considered at cost, unless there is an “other than temporary” decline in value, in which case adequate provision is made for the diminution in the value of 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 Statement of Profit and Loss 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 Statement of Profit and Loss.

### 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 and Sale of (a) Plywood & Allied products; and (b) Medium Density Fibre Boards & Allied products.

##### Secondary Segment

##### *Geographical Segment:*

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

## Significant Accounting Policies

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.

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 Accounting for Taxes On Income (AS - 22):

**1.17.01** Tax expenses comprise of current tax and deferred tax including applicable surcharge and cess.

**1.17.02** Current Income tax is computed using the tax effect accounting method, where taxes are accrued in the same period in which 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.

**1.17.03** 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 and Deferred Tax Liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the Deferred Tax Assets and Deferred Tax Liabilities relate to taxes on income levied by same governing taxation laws. 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.

**1.17.04** 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 Statement of Profit and Loss 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.



# Significant Accounting Policies

## 1.18 Discontinuing Operations (AS - 24):

Pursuant to the approval of the High Court, effect has been given in the Financial Statements to the “Composite Scheme of Arrangement” approved by the Board of Directors. The assets & liabilities of the Demerged Undertaking have been transferred to and vested in Greenlam Industries Limited and are disclosed by way of Notes on Accounts.

## 1.19 Intangible Assets (AS – 26):

**1.19.01** 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.

**1.19.02** Intangible assets acquired by payment e.g., Goodwill, Trademarks, Computer Software and Technical Know-how are disclosed at cost less amortization on a straight-line basis over its estimated useful life.

## 1.20 Impairment of Tangible and Intangible Assets (AS - 28)

At each balance sheet date, the Company reviews the carrying amount of tangible and intangible assets to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and the value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

## 1.21 Provisions, Contingent Liabilities and Contingent Assets (AS – 29):

**1.21.01** Provisions are made when (a) the Company has a present obligation as a result of past events; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate is made of the amount of the obligation.

**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 Excise Duty and Custom Duty:

Excise Duty on finished goods stock lying at the factories is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods lying in the factories as on the Balance Sheet date. Similarly, Custom Duty on imported material in transit/lying in bonded warehouse is accounted for at the time of import/bonding of materials.

## 1.23 Consumption of Raw Materials, Stores & Spare Parts Etc.:

The costs of Raw Materials, Stores and spare parts etc., consumed consist of purchase price including duties and taxes (other than those subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to the procurement.

## 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 Expenses for Corporate Social Responsibility:

In case of CSR activities undertaken by the Company, if any expenditure of revenue nature is incurred on any of the activities mentioned in Schedule VII to the Companies Act, 2013, the same is charged as an expense to its Statement of Profit and Loss. In case, the expenditure incurred by the Company is of such a nature which gives rise to an asset, such an asset is recognised where the Company retains the control of the asset and any future economic benefit accrues to it. A liability incurred by entering into a contractual obligation is recognised to the extent to which CSR activity is completed during the year.

## 1.26 Miscellaneous Expenditure Written Off:

The share issue expenses and expenses related to Scheme of Arrangement are written off in five equal annual installments in accordance with the provisions of Section 35DD of the Income Tax Act, 1961.

# Notes on Financial Statements

for the year ended March 31, 2015

## 1. SHARE CAPITAL

	As at March 31, 2015		As at March 31, 2014	
	Number	₹ in Lacs	Number	₹ in Lacs
<b>1.1 Authorised</b>				
Equity Shares of ₹ 5 each	32000000	1600.00	32000000	1600.00
Cumulative Redeemable Preference Shares of ₹10 each	5000000	500.00	5000000	500.00
<b>Total</b>	<b>37000000</b>	<b>2100.00</b>	<b>37000000</b>	<b>2100.00</b>
<b>1.2 Issued, Subscribed and Fully Paid up</b>				
Equity Shares of ₹ 5 each	24136374	1206.82	24136374	1206.82
<b>1.3 The reconciliation of the number of shares outstanding</b>				
Equity Shares at the beginning of the year	24136374	1206.82	24136374	1206.82
Add : Allotted during the year	-	-	-	-
<b>Total</b>	<b>24136374</b>	<b>1206.82</b>	<b>24136374</b>	<b>1206.82</b>

## 1.4 Terms/Rights attached to the Equity Shares

The Company has only one class of equity Shares having a par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year, the amount of per share dividend recognized as distribution to equity shareholders was ₹ 3 (Previous year ₹ 3)

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. This distribution will be in proportion to the number of equity shares held by the shareholders.

## 1.5 Name of the Shareholders holding more than 5% Shares

	As at March 31, 2015		As at March 31, 2014	
	Number	%	Number	%
<b>Equity Shares</b>				
S.M.Management Pvt Ltd	3543462	14.68%	3543462	14.68%
Greenply Leasing & Finance Pvt Ltd	2714731	11.25%	2714731	11.25%
Prime Holdings Pvt Ltd	2408560	9.98%	2408560	9.98%
HSBC Bank (Mauritius) Ltd				
A/C Jwalamukhi Investment Holdings	2376884	9.85%	2376884	9.85%
Ashish Dhawan	2369488	9.82%	2369488	9.82%
Shiv Prakash Mittal, Saurabh Mittal & Shobhan Mittal on behalf of Trade Combines, partnership firm	-	-	2110476	8.74%
HDFC Trustee Company Ltd	1913642	7.93%	1561537	6.47%
Saurabh Mittal	1686457	6.99%	-	-

In the current year, the above information is furnished taking into consideration the fact whether or not the beneficial ownership is reflected in the records of the Depository. In the previous year the above information was furnished taking into consideration the beneficial ownership of shares as informed to the Company and the Registrar of Companies through filing of requisite forms.

# Notes on Financial Statements

for the year ended March 31, 2015

**1.6** The Company has not reserved any shares for issue under options and contracts/commitments for the sale of shares/disinvestment.

**1.7** The Company for the period of five years immediately preceding the date of Balance Sheet has not:

- i. Allotted any class of shares as fully paid pursuant to contract(s) without payment being received in cash.
- ii. Allotted fully paid up shares by way of bonus shares.
- iii. Bought back any class of shares.

## 2. RESERVES & SURPLUS

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
<b>Capital Reserve</b>		
As per last Balance Sheet	80.00	80.00
Less : Transferred pursuant to Scheme of Arrangement (Refer Note No. 32)	80.00	-
	-	80.00
<b>Capital Redemption Reserve</b>		
As per last Balance Sheet	500.00	500.00
Less : Transferred pursuant to Scheme of Arrangement (Refer Note No. 32)	500.00	-
	-	500.00
<b>Securities Premium Account</b>		
As per last Balance Sheet	11625.92	11625.92
Less : Transferred pursuant to Scheme of Arrangement (Refer Note No. 32)	11625.92	-
	-	11625.92
<b>General Reserve</b>		
As per last Balance Sheet	7978.58	6578.58
Add: Transferred from Statement of Profit and Loss	6500.00	1400.00
Less : Transferred pursuant to Scheme of Arrangement (Refer Note No. 32)	4329.38	-
	10149.20	7978.58
<b>Surplus, i.e. balance in Statement of Profit &amp; Loss</b>		
As per last Balance Sheet	36921.25	27721.73
Add : Net profit for the current year	12181.73	11446.67
Less : Transferred pursuant to Scheme of Arrangement (Refer Note No. 32)	3718.59	-
Less : Adjustment for Depreciation on reassessment of useful lives of tangible assets (Refer Note No. 38)	966.18	-
Less : Adjusted on cancellation of Investment	5.00	-
Less : Transferred to General Reserve	6500.00	1400.00
Less : Proposed Dividend on Equity Shares [Dividend Per Share ₹ 3 (Previous year ₹ 3)]	724.09	724.09
Less : Tax on Distribution of Dividend	147.41	123.06
	37041.71	36921.25
<b>Total</b>	<b>47190.91</b>	<b>57105.75</b>

# Notes on Financial Statements

for the year ended March 31, 2015

## 3. LONG-TERM BORROWINGS

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
<b>Secured</b>		
Term Loans		
From Banks		
Foreign Currency Loans	6486.56	15250.85
Rupee Loans	10600.67	20787.57
	17087.23	36038.42
Less : Current maturities of Long Term Borrowings	6563.36	11258.79
	10523.87	24779.63
From Others		
Rupee Loans	-	588.24
Less : Current maturities of Long Term Borrowings	-	588.24
	-	-
Deferred Payment Liabilities	850.91	839.01
Less: Current maturities of Deferred Payment Liabilities	209.47	227.25
	641.44	611.76
	11165.31	25391.39
<b>Unsecured</b>		
Deferred Payment Liabilities	2047.43	1086.99
Less: Current maturities of Deferred Payment Liabilities	552.00	373.51
	1495.43	713.48
<b>Total</b>	<b>12660.74</b>	<b>26104.87</b>

**3.1** Term Loan from Landesbank Baden-Wurttemberg of ₹ 3974.16 Lacs is secured by first priority security charge on Main Press Line of MDF plant. Subject to Note no. 32.2.7, Other Term Loans of ₹ 13113.07 Lacs 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.

**3.2** Secured Deferred payment liabilities are in respect of finance of vehicles, secured by hypothecation of the respective vehicles.

## 3.3 Terms of Repayment and Rate of Interest

	Rate of Interest	Repayment Schedule						
		2015-16*	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
<b>Term Loans from Banks (Secured)</b>								
6 Half Yearly Installments	2.84%	1324.72	1324.72	1324.72	-	-	-	-
12 Quarterly Installments	4.49%	824.97	824.97	862.47	-	-	-	-
20 Quarterly Installments	11.30%	368.00	504.00	504.00	504.00	504.00	-	-
16 Quarterly Installments	11.30%	-	500.00	500.00	500.00	500.00	-	-
4 Quarterly Installments	11.70%	1796.67	-	-	-	-	-	-
20 Quarterly Installments	11.75%	500.00	500.00	500.00	500.00	500.00	-	-
5 Quarterly Installments	12.25%	684.00	171.00	-	-	-	-	-
4 Quarterly Installments	12.75%	1065.00	-	-	-	-	-	-
		<b>6563.36</b>	<b>3824.69</b>	<b>3691.18</b>	<b>1504.00</b>	<b>1504.00</b>	<b>-</b>	<b>-</b>

# Notes on Financial Statements

for the year ended March 31, 2015

## 3.3 Terms of Repayment and Rate of Interest (Contd.)

	Rate of Interest	Repayment Schedule						
		2015-16*	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Deferred Payment Liabilities								
Secured	9,65% to	209.47	159.61	135.71	125.84	124.73	75.41	20.14
Unsecured	13%	552.00	530.84	396.48	184.63	159.68	154.33	69.47
		761.47	690.45	532.19	310.47	284.41	229.74	89.61

\* Represents Current Maturities of Long Term Borrowings.

3.4 The company has not defaulted in repayment of loans and interest during the period.

## 4. DEFERRED TAX LIABILITIES (NET) :

₹ in Lacs

	As at March 31, 2015	As at March 31, 2014
<b>Deferred Tax Liabilities :</b>		
Depreciation	4928.05	6072.51
<b>Less : Deferred Tax Assets :</b>		
Provision for Gratuity/Liabilities	897.72	1057.52
Deviation in value of Closing Stock U/S 145A	-	154.03
	897.72	1211.55
<b>Total</b>	<b>4030.33</b>	<b>4860.96</b>

## 5. OTHER LONG TERM LIABILITIES

₹ in Lacs

	As at March 31, 2015	As at March 31, 2014
<b>Others</b>		
Security Deposits from Customers	1026.52	814.23

## 6. LONG TERM PROVISIONS

₹ in Lacs

	As at March 31, 2015	As at March 31, 2014
Provisions for Employee Benefits (unfunded)		
For Gratuity	947.11	1157.64
For Leave Encashment	618.81	823.17
<b>Total</b>	<b>1565.92</b>	<b>1980.81</b>

# Notes on Financial Statements

for the year ended March 31, 2015

## 7. SHORT TERM BORROWINGS

₹ in Lacs

	As at March 31, 2015	As at March 31, 2014
<b>Secured</b>		
Loans Repayable on Demand		
Working Capital Loans		
from Banks		
Rupee Loans	3652.97	12724.88
<b>Unsecured</b>		
Other Loans and advances		
from Banks		
Foreign Currency Loan - Buyers' Credit	9405.52	14120.89
Rupee Loans	-	2000.00
from Others		
Rupee Loans	109.20	-
	9514.72	16120.89
<b>Total</b>	<b>13167.69</b>	<b>28845.77</b>

7.1 Subject to Note no. 32.2.7, Working Capital Loans of ₹ 3652.97 lacs 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.

7.2 The company has not defaulted in repayment of loans and interest during the period.

## 8. OTHER CURRENT LIABILITIES

₹ in Lacs

	As at March 31, 2015	As at March 31, 2014
Current maturities of Long Term Borrowings*	6563.36	11847.03
Current maturities of Deferred Payment Liabilities*	761.47	600.76
Interest accrued but not due on borrowings	49.79	132.67
Advance from Customers	810.00	1086.47
Unpaid Dividend	4.16	6.49
Statutory Dues	1784.08	3470.94
<b>Total</b>	<b>9972.86</b>	<b>17144.36</b>

\* 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 March 31, 2015	As at March 31, 2014
Provision for employee benefits		
Gratuity	147.98	95.20
Leave Salary	149.63	143.53
Provision for Taxation (Net of advance)	166.47	-
Proposed Dividend		
Equity Shares	724.09	724.09
Tax on Distribution of Dividend	147.41	123.06
<b>Total</b>	<b>1335.58</b>	<b>1085.88</b>



# Notes on Financial Statements

for the year ended March 31, 2015

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01/04/2014	Addition During the Period	Transferred pursuant to scheme of arrangement	Deduction During Period	Total As at 31/03/2015	Upto 31/03/2014	For the Period	Transferred pursuant to Scheme of Arrangement	Adjustment for Deductions	Total As at 31/03/2015
<b>OWN ASSETS</b>										
<b>Tangible Assets</b>										
Freehold Land	3346.85	-	1095.53	-	2251.32	-	-	-	-	2251.32
Leasehold Land	1941.90	-	1231.27	-	710.63	74.15	8.14	5.16	-	633.50
Land Development	1434.82	14.85	293.68	-	1155.99	59.19	11.98	0.29	-	1085.11
Buildings	15532.13	2667.74	6140.76	32.37	12026.74	2219.52	837.22	974.95	18.62	9963.57
Plant & Equipments	62743.36	4292.13	18212.42	509.57	48313.50	20639.38	3706.88	9177.08	409.63	33553.95
Furniture & Fixtures	2288.40	788.14	814.27	134.73	2127.54	478.26	217.72	189.83	94.20	1715.59
Vehicles	3657.08	921.90	742.41	368.23	3468.34	710.49	408.24	235.68	115.74	2701.03
Heavy Vehicles	169.53	6.18	12.92	6.11	156.68	105.04	14.15	11.94	3.28	52.71
Office Equipments	1979.77	870.10	617.60	803.54	1428.73	950.85	311.79	288.64	594.16	1048.89
<b>Sub Total</b>	<b>93093.84</b>	<b>9561.04</b>	<b>29160.86</b>	<b>1854.55</b>	<b>71639.47</b>	<b>25236.88</b>	<b>5516.12</b>	<b>10883.57</b>	<b>1235.63</b>	<b>53005.67</b>
<b>Intangible Assets</b>										
Goodwill	340.00	-	-	-	340.00	340.00	-	-	-	-
Trademarks	68.58	-	68.58	-	-	60.02	-	60.02	-	-
Computer Software	1142.46	220.29	89.01	667.09	606.65	592.40	144.32	32.10	362.84	264.87
Technical Knowhow	304.23	45.20	304.23	-	45.20	190.15	11.85	190.15	-	33.35
<b>Sub Total</b>	<b>1855.27</b>	<b>265.49</b>	<b>461.82</b>	<b>667.09</b>	<b>991.85</b>	<b>1182.57</b>	<b>156.17</b>	<b>282.27</b>	<b>362.84</b>	<b>298.22</b>
Capital Work In Progress	9498.60	721.27	6839.08	1990.09	1390.70	-	-	-	-	1390.70
<b>Total</b>	<b>104447.71</b>	<b>10547.80</b>	<b>36461.76</b>	<b>4511.73</b>	<b>74022.02</b>	<b>26419.45</b>	<b>5672.29</b>	<b>11165.84</b>	<b>1598.47</b>	<b>54694.59</b>
Previous Year's Total	88895.58	19223.88	-	3671.75	104447.71	21379.67	5761.12	-	721.34	78028.27

**10.1** Addition to Plant & Equipments includes gain of ₹ 746.10 Lacs (Previous year loss of ₹ 1885.52 Lacs) on account of fluctuation in Foreign Exchange Rates. (Refer Note No. 36)

**10.2** Borrowing Cost capitalised during the period ₹ Nil (Previous period ₹ 299.97 Lacs).

## 10. FIXED ASSETS

# Notes on Financial Statements

for the year ended March 31, 2015

	As at March 31, 2015		As at March 31, 2014	
	Number	₹ in Lacs	Number	₹ in Lacs
<b>11. NON-CURRENT INVESTMENTS</b>				
<b>Investments in Equity Instruments (at Cost)</b>				
<b>Trade</b>				
<b>Unquoted, Fully Paid up</b>				
<b>Subsidiaries</b>				
Greenply Industries (Myanmar) Pvt Ltd (*)				
- Equity Shares of KYAT 100000 each	-	-	20583	1310.40
Greenply Trading Pte. Limited	2400000	1462.85	100000	59.99
- Equity Shares of USD 1 each				
Greenlam Asia Pacific PTE Ltd			2430642	1003.31
- Equity Shares of SGD 1 each (**)	-	-		
Greenlam America Inc.			1600000	740.23
- Equity Shares of USD 1 each (**)	-	-		
Greenlam Europe (UK) Ltd.			1	0.00
- Equity Shares of GBP 1 each (**) [₹ Nil (Previous year ₹ 82)]	-	-		
Greenlam Industries Limited			100000	5.00
- Equity Shares of ₹ 5 each (**)	-	-		
Greenlam VT Industries Pvt Ltd			10000	1.00
- Equity Shares of ₹ 10 each (**)	-	-		
	1462.85		3119.93	
<b>Quoted, Fully Paid up</b>				
<b>Other than Trade</b>				
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
<b>Total</b>		<b>1471.81</b>		<b>3128.89</b>
Aggregate amount of Quoted Investments		8.96		8.96
Aggregate amount of Unquoted Investments		1462.85		3119.93
<b>Total</b>		<b>1471.81</b>		<b>3128.89</b>
Aggregate Market Value of Quoted Investments		33.79		133.04

\* Re-classified as Current Investment as the Company intends to transfer its Control over this Subsidiary to Greenply Alkema (Singapore) Pte Ltd - a Joint Venture of the Company.

\*\* Transferred to the Resulting Company pursuant to the Scheme of Arrangement (Refer Note No. 32)

## 12. LONG TERM LOANS & ADVANCES

	As at March 31, 2015		As at March 31, 2014	
<b>(Unsecured, considered good)</b>				
Capital Advances		656.36		4859.06
Security Deposits		780.91		913.65
<b>Total</b>		<b>1437.27</b>		<b>5772.71</b>

₹ in Lacs

# Notes on Financial Statements

for the year ended March 31, 2015

## 13. OTHER NON-CURRENT ASSETS

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
Expenses pertaining to Scheme of Arrangement	60.55	-
<b>Total</b>	<b>60.55</b>	<b>-</b>

## 14. CURRENT INVESTMENTS

	As at March 31, 2015		As at March 31, 2014	
	Number	₹ in Lacs	Number	₹ in Lacs
<b>Investments in Equity Instruments (at Cost)</b>				
<b>Trade</b>				
<b>Unquoted, Fully Paid up</b>				
<b>Subsidiaries</b>				
Greenply Industries (Myanmar) Pvt Ltd (*)				
- Equity Shares of KYAT 100000 each	28786	1815.73	-	-

\* Re-classified as Current Investment as the Company intends to transfer its Control over this Subsidiary to Greenply Alkema! (Singapore) Pte Ltd - a Joint Venture of the Company.

## 15. INVENTORIES

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
<b>(at lower of cost or net realisable value)</b>		
Raw Materials	12199.50	24641.34
[including in Transit ₹ 412.28 Lacs (Previous year ₹ Nil), at Customs Warehouse ₹ Nil (Previous year ₹ 1742.90 Lacs) and at Port ₹ Nil (Previous year ₹ 11.98 Lacs)]		
Stock in Process	1229.75	2174.76
Finished Goods	3356.93	8938.99
[including in Transit ₹ 171.50 Lacs (Previous year ₹ 707.27 Lacs) and at Port ₹ Nil (Previous year ₹ 159.74 Lacs)]		
Stock In Trade	991.56	679.62
[including in Transit ₹ 92.13 Lacs (Previous year ₹ 16.30 Lacs)]		
Certified Emission Reductions (CER)	-	8.68
Stores & Spares	1252.65	1844.32
<b>Total</b>	<b>19030.39</b>	<b>38287.71</b>

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
<b>15.1 Details of Closing Stock of Raw Materials</b>		
Paper	464.61	8869.80
Timber	7553.35	10082.49
Veneer	2265.76	2198.18
Chemicals	374.53	1561.43
Plywood, Particle Board & MDF	1394.15	1671.72
Laminates, Doorskin & Cubicals	147.10	257.72
<b>Total</b>	<b>12199.50</b>	<b>24641.34</b>

# Notes on Financial Statements

for the year ended March 31, 2015

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
<b>15.2 Details of Closing Stock of Goods-in-Process</b>		
Plywood and Blockboard	634.88	751.78
Laminates	-	109.26
Medium Density Fibre Board	188.46	380.56
Veneer	310.93	347.93
Chemicals	50.25	127.69
Paper	16.63	451.97
Clonal Plants	28.60	5.57
<b>Total</b>	<b>1229.75</b>	<b>2174.76</b>
<b>15.3 Details of Closing Stock of Finished Goods</b>		
Plywood and Blockboard	2249.99	2002.05
Laminates	-	5876.72
Medium Density Fibre Board	726.97	891.93
Veneer	299.66	156.16
Wooden Flooring	80.31	12.13
<b>Total</b>	<b>3356.93</b>	<b>8938.99</b>
<b>15.4 Details of Closing Stock of Stock in Trade</b>		
Plywood and Blockboard	991.56	632.32
Laminates	-	47.30
<b>Total</b>	<b>991.56</b>	<b>679.62</b>
	Numbers	Numbers
<b>15.5 CERs held in inventory</b>	-	59864

## 16. TRADE RECEIVABLES

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
Outstanding for a period exceeding six months from date due for payment		
Secured, considered good	-	-
Unsecured, considered good	430.93	922.89
Unsecured, considered doubtful	150.13	-
	581.06	922.89
Less : Provision for Doubtful Trade Receivables *	150.13	-
	430.93	922.89
Other Debts		
Secured, considered good	115.69	64.00
Unsecured, considered good	25175.18	34041.08
	25290.87	34105.08
<b>Total</b>	<b>25721.80</b>	<b>35027.97</b>

\* as per estimate of the management

# Notes on Financial Statements

for the year ended March 31, 2015

## 17 CASH & BANK BALANCES

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
<b>17.1 Cash &amp; Cash Equivalents</b>		
Balances with Banks	228.34	219.58
Cash on Hand	67.90	85.02
	296.24	304.60
<b>17.2 Other Bank Balances</b>		
Term Deposits with Banks		
(Receipts pledged with banks & others as security deposits)		
Maturity within 3 months	52.36	58.56
Maturity within 12 months	366.07	683.14
Maturity over 12 months	-	27.08
Balances with Banks - unpaid dividend	4.16	6.49
	422.59	775.27
<b>Total</b>	<b>718.83</b>	<b>1079.87</b>

## 18. SHORT TERM LOANS & ADVANCES

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
<b>(Unsecured, considered good)</b>		
Advance to Staff & Workers	141.32	288.86
Advance against Purchases	608.87	815.83
Export Incentive Receivable	-	3757.87
Insurance Claim Receivable	38.76	53.02
Subsidy Receivable	-	14.93
Prepaid Expenses	917.34	867.32
Service Tax Input Credit Receivable	215.09	252.64
Amount due from Central Excise Authorities	3511.69	1093.07
Advance Payment of Income Tax (Less Provision)	-	260.20
MAT Credit Entitlement	4095.40	3160.12
Advance Payment of Sales Tax (including unavailed VAT input credit)	150.02	356.21
<b>Total</b>	<b>9678.49</b>	<b>10920.07</b>

## 19. OTHER CURRENT ASSETS

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
Expenses pertaining to Scheme of Arrangement	20.19	-
Unamortised Expenses	-	29.94
<b>Total</b>	<b>20.19</b>	<b>29.94</b>

# Notes on Financial Statements

for the year ended March 31, 2015

## 20. REVENUE FROM OPERATIONS

	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>Sale of Products</b>		
Manufactured Goods	139014.15	209696.04
Traded Goods	22716.39    161730.54	15418.22    225114.26
<b>Other Operating Revenue</b>		
Service Charges Received (Refer Note 20.4)	314.00	-
Insurance Claim Received	29.02	122.86
Miscellaneous Income	23.61    366.63	26.89    149.75
	162097.17	225264.01
Less : Central Excise Duty	5672.13	9312.21
<b>Total</b>	<b>156425.04</b>	<b>215951.80</b>

**20.1** Company's Plywood & MDF units located at Pantnagar (Uttarakhand) are exempt from levy of Central Excise Duty. Company's Plywood unit located at Tizit (Nalagand) is entitled to refund of Central Excise Duty paid after availing input credits. The Central Excise Duty debited to Statement of Profit & Loss is net of refund received ₹ 1365.62 Lacs (Previous year ₹ 899.40 Lacs).

**20.2** Central Excise Duty includes ₹ 2.87 Lacs (Previous year ₹ 32.23 Lacs) paid on account of differential excise duty for earlier years.

## 20.3 Particulars of Sale of Products

	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>Manufactured Goods</b>		
Decorative Laminates	-	69239.56
[including exports ₹ Nil (Previous year ₹ 28054.71 Lacs), export incentives ₹ Nil (Previous year ₹ 3531.97 Lacs) and inter transfers ₹ Nil (Previous year ₹ 827.88 Lacs)]		
Decorative Veneers	-	10146.12
[including exports ₹ Nil (Previous year ₹ 62.33 Lacs), and inter transfers ₹ Nil (Previous year ₹ 10.40 Lacs)]		
Plywood & Allied Products	97193.73	93382.81
[including exports ₹ 557.72 Lacs (Previous year ₹ 246.07 Lacs), and inter transfers ₹ 2078.17 Lacs (Previous year ₹ 2878.38 Lacs)]		
Medium Density Fibre Board	39800.94	35254.93
[including exports ₹ 4.94 Lacs (Previous year Nil), and inter transfers ₹ 321.32 Lacs (Previous year ₹ 358.94 Lacs)]		
Wooden Flooring	939.32	-
[including exports ₹ 24.04 Lacs (Previous year Nil)]		



# Notes on Financial Statements

for the year ended March 31, 2015

20.3 Particulars of Sale of Products (Contd.)		₹ in Lacs
	For the year ended March 31, 2015	For the year ended March 31, 2014
Others	1080.16	1672.62
[including exports Nil (Previous year ₹ 42.51 Lacs), inter transfers ₹ 278.33 Lacs (Previous year ₹ 545.83 Lacs)]		
	139014.15	209696.04
<b>Traded Goods</b>		
Plywood & Allied Products	22716.39	15400.43
Decorative Laminates	-	17.79
	22716.39	15418.22
<b>Total</b>	<b>161730.54</b>	<b>225114.26</b>
<b>20.4 Service Charges Received</b>		
Sharing of Infrastructure and Manpower with Demerged Undertaking	314.00	-

**20.5** Manufactured goods consumed for own use is accounted for at selling price. However, no adjustment for profit element included in such goods was required as the Company neither had the stocks of such transferred goods nor finished goods manufactured by further processing of the same, at year end.

## 21. OTHER INCOME

	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest & Wages Subsidy Received	-	26.96
Rent Received	0.22	-
Interest Received	78.95	565.42
Liabilities no longer required written back	24.99	79.86
Prior Period Income	4.89	3.29
Dividend from Long Term Investments (Others)	0.02	0.09
<b>Total</b>	<b>109.07</b>	<b>675.62</b>

## 22. COST OF MATERIALS CONSUMED

	For the year ended March 31, 2015	For the year ended March 31, 2014
Paper	1164.63	24613.64
Timber	35310.07	33339.64
Veneer	15416.48	16861.74
Chemicals	14952.75	33271.85
Plywood, Particle Board & MDF	5223.49	8053.61
Laminates, Doorskin & Cubicals	615.28	515.73
<b>Total</b>	<b>72682.70</b>	<b>116656.21</b>
	(%)	(%)
Imported	34% 24368.52	45% 53051.93
Indigenous	66% 48314.18	55% 63604.28
<b>Total</b>	<b>100% 72682.70</b>	<b>100% 116656.21</b>

**22.1** Cost of Materials Consumed includes cost of materials sold ₹ 613.83 Lacs (Previous year ₹ 916 Lacs)

# Notes on Financial Statements

for the year ended March 31, 2015

23. PURCHASE OF STOCK IN TRADE		₹ in Lacs
	For the year ended March 31, 2015	For the year ended March 31, 2014
Plywood	18950.94	12991.50
Decorative Laminates	-	272.69
Medium Density Fibre Board	103.89	81.67
<b>Total</b>	<b>19054.83</b>	<b>13345.86</b>

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

	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>Opening Stock</b>		
Finished Goods	8938.99	7810.32
Stock in Trade	679.62	218.42
Certified Emission Reductions (CER)	8.68	8.68
Goods-in-Process	2174.76 11802.05	2406.70 10444.12
<b>Less: Transferred pursuant to Scheme of Arrangement</b>		
Finished Goods	6218.59	-
Stock in Trade	47.30	-
Certified Emission Reductions (CER)	8.68	-
Goods-in-Process	777.04 7051.61	- -
	4750.44	10444.12
<b>Closing Stock</b>		
Finished Goods	3356.93	8938.99
Stock in Trade	991.56	679.62
Certified Emission Reductions (CER)	-	8.68
Goods-in-Process	1229.75 5578.24	2174.76 11802.05
<b>Total</b>	<b>(827.80)</b>	<b>(1357.93)</b>

## 25. EMPLOYEES BENEFITS EXPENSE

	For the year ended March 31, 2015	For the year ended March 31, 2014
Salary, Wages & Bonus	13509.27	17899.90
Contribution to Provident Fund & Employees' State Insurance	717.60	979.81
Employees' Welfare Expenses	271.01	471.46
<b>Total</b>	<b>14497.88</b>	<b>19351.17</b>

### 25.1 Disclosures Regarding Employee Benefits

**i) Defined Contribution Plan:** Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees’ Provident Fund Organisation

# Notes on Financial Statements

for the year ended March 31, 2015

established under The Employees’ Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

**ii) Defined Benefit Plan:** Retirement benefits in the form of Gratuity are considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. As the Company has not funded its liability, it has nothing to disclose regarding plan assets and its reconciliation.

	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>iii) Net Employee Expense/(benefit):</b>		
Current service cost	153.70	176.75
Interest cost on benefit obligation	70.44	103.46
Expected return on plan assets	-	-
Net Actuarial (gains)/losses recognised in the year	105.47	30.73
<b>Total employer expenses</b>	<b>329.61</b>	<b>310.94</b>
<b>iv) Actual return on plan assets</b>	-	-
<b>v) Benefit Asset / (Liability):</b>		
Fair Value of Plan Assets	-	-
Defined benefit obligation	1095.09	1252.84
<b>Benefit Asset / (Liability)</b>	<b>(1095.09)</b>	<b>(1252.84)</b>
<b>vi) Movement in benefit liability:</b>		
Opening defined benefit obligation	1252.84	1046.36
Less: Obligation transferred pursuant to scheme of Arrangement	(360.83)	-
Interest cost on benefit obligation	70.44	103.46
Current service cost	153.70	176.75
Actuarial (gains) / losses	105.47	30.73
Less: Benefits paid	(126.53)	(104.46)
<b>Closing benefit obligation</b>	<b>1095.09</b>	<b>1252.84</b>
<b>vii) Actuarial assumptions:</b>		
Mortality Table	IALM 2006-2008	IALM 2006-2008
Discount Rate (per annum)	8%	8%
Expected rate of return on plan assets (per annum)	-	-
Rate of escalation in salary (per annum)	5%	5%
Withdrawal rates (Varying between per annum depending upon the duration and age of the employees)	1%-8%	1%-8%

**viii)** Amount incurred as expense for defined contribution to Provident Fund is ₹ 635.17 Lacs (Previous Year ₹ 864.09 Lacs).

# Notes on Financial Statements

for the year ended March 31, 2015

	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest Expense	3507.63	5687.39
Other Borrowing Cost	83.67	142.07
<b>Total</b>	<b>3591.30</b>	<b>5829.46</b>

**26.1** Borrowing Cost capitalised during the period ₹ Nil (Previous period ₹ 299.97 Lacs).

	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Depreciation Expense	5516.12	5423.35
Amortisation Expense	156.17	337.77
	5672.29	5761.12
Less : Transfer to Surplus in the Statement of Profit & Loss	966.18	-
Less : Transfer to Pre-Operative Expenses	-	4.26
<b>Total</b>	<b>4706.11</b>	<b>5756.86</b>

	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Consumption of stores & spares	1848.08	1381.63
Power & Fuel	6581.69	8896.42
Rent	756.14	1210.38
Repairs to buildings	163.92	159.27
Repairs to machinery	814.07	1119.09
Insurance	276.67	370.91
Rates and Taxes	425.30	940.48
Travelling expenses	1458.21	1921.68
Freight & delivery expenses	8995.68	10094.59
Export Expenses	74.40	2952.05
Advertisement & Sales promotion	4311.39	5807.14
Auditors' Remuneration	24.12	35.64
Secretarial Auditor's Remuneration	1.00	-
Donation	48.70	72.38
Contribution for CSR Activities	10.68	-
Bank Charges	236.20	288.31
Provision for Doubtful Debts	150.13	-
Loss on Sale / Discard of Assets	161.21	365.45
Miscellaneous Expenditure written off	20.76	25.62
Prior Period Expenses	4.08	33.09
Other General Expenses	4224.14	4548.62
<b>Total</b>	<b>30586.57</b>	<b>40222.75</b>

# Notes on Financial Statements

for the year ended March 31, 2015

		₹ in Lacs	
		For the year ended March 31, 2015	For the year ended March 31, 2014
28.1	Consumption of Stores & Spares		
		(%)	(%)
	Imported	13% 244.33	9% 117.53
	Indigenous	87% 1603.75	91% 1264.10
	<b>Total</b>	<b>100% 1848.08</b>	<b>100% 1381.63</b>

		₹ in Lacs	
		For the year ended March 31, 2015	For the year ended March 31, 2014
<b>28.2 Auditors' Remuneration</b>			
As Auditors		20.00	20.00
For other services		4.12	3.46
Reimbursement of Expenses		-	12.18
<b>Total</b>		<b>24.12</b>	<b>35.64</b>

Note : Fees are exclusive of service tax and cess

		₹ in Lacs	
<b>28.3 Contribution for CSR Activities</b>			
(a) Gross Amount required to be spent by the Company during the year			243.79
(b) Amount spent during the year on :			
	In Cash	Yet to be paid in Cash	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	10.68	-	<b>10.68</b>

**28.4** The prior period income & expenses have arisen in the current year as a result of inadvertent errors or omissions in the preparation of Financial Statements of one or more prior periods.

## 29. EXCEPTIONAL ITEMS

Gain of ₹ 1575.53 Lacs comprises of refund of Central Excise Duty due to the Company as per Order dated November 20, 2014 of The Gauhati High Court. The refund is related to the Tizit Plywood Unit of the Company for Financial Years 2008-09 to 2013-14.

b. Income Tax demand disputed by the Company relating to issues of applicability aggregating ₹ 8.94 Lacs (Previous year ₹ Nil).

c. Local Authority Taxes claims disputed by the Company relating to issues of applicability and determination aggregating ₹ 802.20 Lacs (Previous year ₹ 27.22 Lacs)

d. Claims against the Company not acknowledged as debts ₹ 63.94 Lacs (Previous year ₹ 68.82 Lacs).

### Notes:

i) Based on the discussion with the solicitors/ favourable decisions in similar cases/legal opinion taken by the Company, the management believes that the Company has a good chance of success in above mentioned cases and hence, no provision there against is considered necessary.

## 30. CONTINGENT LIABILITIES AND COMMITMENTS

### 30.1 Contingent liabilities

#### 30.1.1 Pending Litigations:

a. Excise Duty, Sales Taxes and other Indirect Taxes claims disputed by the Company relating to issues of applicability and determination aggregating ₹ 7386.01 Lacs (Previous year ₹ 20922.69 Lacs).

# Notes on Financial Statements

for the year ended March 31, 2015

ii) The company does not expect any reimbursements in respect of the above contingent liabilities.

iii) Future cash outflows in respect of the above are determinable only on receipt of judgements/decisions pending with various forums/authorities.

### 30.1.2 Others:

a. Letter of credit established but material not received amounting to ₹ 3219.41 Lacs (Previous year ₹ 4805.63 Lacs).

b. Guarantee given to Banks in respect of loans to its erstwhile wholly-owned subsidiary USD Nil (Previous Year USD 80,00,000) and SGD 2,51,36,000 (Previous Year SGD 22,36,000) equivalent to ₹ 11496.90 Lacs (Previous Year ₹ 5855.19 Lacs), translated at year-end exchange rate. It is under process to transfer to the Resulting Company pursuant to the Scheme of Arrangement.

c. 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 ₹ 9569.91 lacs (previous year ₹ 15740.03 lacs), which is required to be met at different dates, before 10.04.2019 (previous year 20.02.2020). In the event of non-fulfillment of the export obligation, the Company will be liable to pay customs duties of approximately ₹ 1197.60 lacs (Previous Year ₹ 2225.95 lacs) together with interest, as applicable. The Company has

discharged export obligation amounting to ₹ Nil during the year ended March 31, 2015.

### 30.2 Commitments

a. Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) ₹ 308.44 Lacs (Previous year ₹ 3389.08 Lacs)

b. Uncalled liability on shares and other investments which are partly paid ₹ NIL (Previous year ₹ NIL)

c. Other commitments ₹ NIL (Previous year ₹ NIL)

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

## 32. SCHEME OF ARRANGEMENT

**32.1** Pursuant to the Scheme of Arrangement ("the scheme") between Greenlam Industries Ltd. (Greenlam), the Company and their respective shareholders and creditors as approved by the High Court of Gauhati vide its order dated October 31, 2014, which became effective on November 17, 2014 on filing with the Registrar of Companies, all the assets and liabilities of the Decorative Business (i.e. business and interests in manufacture of laminates and decorative veneers) of the company have been transferred to and vested in Greenlam at their respective book values on a going concern basis with effect from the appointed date (i.e. April 1, 2013). Accordingly, the Scheme of Arrangement has been given effect to in these accounts.



# Notes on Financial Statements

for the year ended March 31, 2015

## 32.2 Pursuant to the Scheme :

32.2.1 The whole of the assets and liabilities of the Demerged undertaking of the Company became the assets and liabilities of Greenlam and were transferred at their book values as appearing in the books of the Company with effect from the appointed date (i.e. April 1, 2013). The details of assets and liabilities transferred to Greenlam are as under:

		₹ in Lacs
<b>ASSETS :</b>		
<b>Non-current Assets</b>		
<b>Fixed Assets :</b>		
Tangible Assets	16910.21	
Intangible Assets	345.94	
Capital Work-in-Progress	619.14	
	17875.29	
<b>Non-current Investments</b>	1743.54	
<b>Long Term Loans &amp; Advances</b>	1194.30	
		20813.13
<b>Current Assets</b>		
Inventories	16055.42	
Trade Receivables	12695.13	
Cash & Bank Balances	104.46	
Short Term Loans & Advances	4819.73	
		33674.74
<b>Total</b>		<b>54487.87</b>
<b>LIABILITIES :</b>		
<b>Non-current Liabilities :</b>		
Long-Term Borrowings	4326.86	
Deferred Tax Liabilities (Net)	630.46	
Other Long Term Liabilities	25.00	
Long-Term Provisions	546.17	
		5528.49
<b>Current Liabilities</b>		
Short-Term Borrowings	16297.73	
Trade Payables	11213.83	
Other Current Liabilities	4894.00	
Short-Term Provisions	18.52	
		32424.08
<b>Total</b>		<b>37952.57</b>

32.2.2 Pursuant to the scheme, the difference between the book value of the assets and liabilities transferred to Greenlam has been debited to the following Reserves of the Company :

	₹ in Lacs
Capital Redemption Reserve	500.00
Capital Reserve	80.00
Securities Premium Account	11625.92
General Reserve	4329.38
<b>Total</b>	<b>16535.30</b>

# Notes on Financial Statements

for the year ended March 31, 2015

32.2.3 Greenlam to issue and allot equity shares to the shareholders of the Company whose names appear in the register of members of the Company as on the record date, 1 (one) equity share of ₹ 5 (Indian Rupees five only) each in Greenlam credited as fully paid up for every 1 (one) equity share of ₹ 5 (Indian Rupees five only) each held by them in the Company. Consequent to the allotment of new shares as per the scheme, Current Investment of the Company of ₹ 5 Lacs has been cancelled and Greenlam has ceased to be subsidiary of the Company.

32.2.4 The net profit of Demerged Decorative Business of the Company for the period from the appointed date i.e. April 1, 2013 to March 31, 2014, ₹ 3718.59 Lacs, is adjusted in Surplus, i.e. balance in the Statement of Profit and Loss.

32.2.5 The transactions pertaining to the Decorative Business of the Company from the appointed date upto the effective date of the scheme of arrangement have been deemed to be made by Greenlam.

32.2.6 All costs, charges and expenses including stamp duties arising out of or incurred so far in carrying out and implementing this Scheme and matters incidental thereto, have been borne by the Company and Greenlam in the ratio of 2:1.

32.2.7 As per the Scheme of Arrangement approved by the Hon'ble Gauhati High Court, the immovable assets of the Company stands freed from all charges, mortgages and encumbrances relating to liabilities relating to Decorative Business which stands transferred to Greenlam. But, the Company had created charges over its immovable assets (including those which now belong to Greenlam) under section 125 of the Companies Act, 1956 in respect of certain credit facilities taken from various banks for itself and for various undertakings of Greenlam. As the legal ownership of the immovable assets of Greenlam have not yet been transferred to them, the Company continues to enjoy credit facilities by the subsisting charges, mortgages and encumbrances over such assets. *Vice-versa*, Greenlam enjoys credit facilities by the subsisting charges, mortgages and encumbrances over immovable assets retained by the Company. Till creation/modification/satisfaction of Charges, as the case may be, in favour of the various banks/secured creditors of the respective Companies in terms of the applicable provisions of the Companies Act, 2013, the banks/secured creditors of the Company shall continue to hold their respective charge over the immovable assets of Greenlam.



# Notes on Financial Statements

for the year ended March 31, 2015

**Laminate & Allied Products:** The Segment is engaged in the business of manufacturing of Laminates, decorative veneers, compact laminates and other allied products through its wholesale and retail network.

**Medium Density Fibre Boards & Allied Products:** The Segment is engaged in the business of manufacturing of Medium Density Fibre Boards and other allied products through its wholesale and retail network.

## b) 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 share capital, reserves and surplus, borrowings, proposed dividend and income tax (both current and deferred).

## c) 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 income, interest expense, other expenses which cannot be allocated on a reasonable basis and provision for income tax (both current and deferred). 'Unallocated Expenses net of Unallocable Income' include Corporate Expenses which cannot be allocated on a reasonable basis and exceptional items.

## 35. RELATED PARTY DISCLOSURES AS PER ACCOUNTING STANDARD AS - 18

### 35.1 List of related parties and relationship:

#### a) Related parties where control exists

##### Subsidiary Companies

- i) Greenply Industries (Myanmar) Pvt Ltd
- ii) Greenply Trading Pte. Ltd.
- iii) Greenlam Industries Ltd. (ceased to be a subsidiary w.e.f. 01.04.2014 pursuant to Scheme of Arrangement)
- iv) Greenlam Asia Pacific Pte. Ltd. (ceased to be a subsidiary w.e.f. 01.04.2014 pursuant to Scheme of Arrangement)
- v) Greenlam America, Inc. (ceased to be a subsidiary w.e.f. 01.04.2014 pursuant to Scheme of Arrangement)
- vi) Greenlam VT Industries Pvt Ltd (ceased to be a subsidiary w.e.f. 01.04.2014 pursuant to Scheme of Arrangement)
- vii) Greenlam Europe (UK) Ltd. (ceased to be a subsidiary w.e.f. 01.04.2014 pursuant to Scheme of Arrangement)
- viii) Greenlam Asia Pacific (Thailand) Co. Ltd. (ceased to be a subsidiary w.e.f. 01.04.2014 pursuant to Scheme of Arrangement)
- ix) Greenlam Holding Co. Ltd. (ceased to be a subsidiary w.e.f. 01.04.2014 pursuant to Scheme of Arrangement)
- x) Pt. Greenlam Asia Pacific (ceased to be a subsidiary w.e.f. 01.04.2014 pursuant to Scheme of Arrangement)

#### Company in which a Subsidiary is a Joint Venture Partner

- i) Greenply Alkema! (Singapore) Pte Ltd (Investment through Subsidiary Greenply Trading Pte Ltd w.e.f. 14.05.2014)

#### b) Related parties with whom transactions have taken place during the year.

##### Key Management Personnel / Director

- i) Mr. Shiv Prakash Mittal, Executive Chairman
- ii) Mr. Rajesh Mittal, Managing Director
- iii) Mr. Shobhan Mittal, Joint Managing Director & CEO w.e.f. 05.02.2015 (Executive Director upto 04.02.2015)
- iv) Mr. Saurabh Mittal, Joint Managing Director & CEO (upto 10.11.2014)
- v) Mr. Susil Kumar Pal, Independent Director
- vi) Mr. Vinod Kumar Kothari, Independent Director
- vii) Mr. Anupam Kumar Mukerji, Independent Director
- viii) Mr. Upendra Nath Challu, Independent Director
- ix) Ms. Sonali Bhagwati Dalal, Independent Director
- x) Mr. Moina Yometh Konyak, Non-Executive Director
- xi) Mr. V. Venkatramani, Chief Financial Officer
- xii) Mr. Kaushal Kumar Agarwal, Company Secretary

# Notes on Financial Statements

for the year ended March 31, 2015

## 35. RELATED PARTY DISCLOSURES AS PER ACCOUNTING STANDARD AS - 18 (CONTD.)

### Enterprises Owned/Influenced by Key Management Personnel or their relatives

- i) Himalaya Granites Ltd.
- ii) Prime Holdings Pvt Ltd.
- iii) S.M.Management Pvt Ltd.
- iv) Prime Properties Pvt Ltd.
- v) Trade Combines
- vi) Greenlam Industries Ltd.
- vii) Greenlam Asia Pacific Pte. Ltd.
- viii) R S Homcon Ltd.

### Relatives of Key Management Personnel

- i) Mrs. Parul Mittal (Wife of Mr. Saurabh Mittal)
- ii) Mrs. Chitwan Mittal (Wife of Mr. Shobhan Mittal)
- iii) Mrs. Surbhi Poddar (Daughter of Mr. Rajesh Mittal)
- iv) Mr. Sanidhya Mittal (Son of Mr. Rajesh Mittal)

### 35.2 Transactions during the year:

₹ in Lacs

Particulars	Subsidiaries		Joint Venture		Key Management Personnel / Director		Enterprises Owned/ Influenced by Key Management Personnel or their relatives		Relatives of Key Management Personnel	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
<b>Sale of Products</b>										
Greenlam Industries Ltd	-	-	-	-	-	-	178.30	-	-	-
Greenlam Asia Pacific Pte. Ltd.	-	13894.16	-	-	-	-	-	-	-	-
Greenlam America, Inc.	-	3535.09	-	-	-	-	-	-	-	-
Greenlam Europe (UK) Ltd.	-	771.97	-	-	-	-	-	-	-	-
<b>Total</b>	-	18201.22	-	-	-	-	178.30	-	-	-
<b>Reimbursement Received</b>										
Greenlam Asia Pacific Pte. Ltd.	-	3.49	-	-	-	-	-	-	-	-
Greenlam America, Inc.	-	17.58	-	-	-	-	-	-	-	-
<b>Total</b>	-	21.07	-	-	-	-	-	-	-	-
<b>Received towards Services rendered</b>										
Greenlam Industries Ltd	-	-	-	-	-	-	314.00	-	-	-
<b>Total</b>	-	-	-	-	-	-	314.00	-	-	-
<b>Rent Received</b>										
Greenlam Industries Ltd	-	-	-	-	-	-	0.22	-	-	-
<b>Total</b>	-	-	-	-	-	-	0.22	-	-	-
<b>Interest Received on Loan Given</b>										
Greenlam Industries Ltd	-	-	-	-	-	-	0.17	-	-	-
<b>Total</b>	-	-	-	-	-	-	0.17	-	-	-
<b>Purchase of Products</b>										
Greenlam Industries Ltd	-	-	-	-	-	-	319.61	-	-	-
Greenply Alkema! (Singapore) Pte Ltd	-	-	2139.89	-	-	-	-	-	-	-
<b>Total</b>	-	-	2139.89	-	-	-	319.61	-	-	-



# Notes on Financial Statements

for the year ended March 31, 2015

## 35.2 Transactions during the year: (Contd.)

₹ in Lacs

Particulars	Subsidiaries		Joint Venture		Key Management Personnel / Director		Enterprises Owned/ Influenced by Key Management Personnel or their relatives		Relatives of Key Management Personnel	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
<b>Payment towards Services received</b>										
Himalaya Granites Ltd.	-	-	-	-	-	-	-	42.70	-	-
Prime Holdings Pvt Ltd.	-	-	-	-	-	-	32.34	31.68	-	-
Prime Properties Pvt Ltd.	-	-	-	-	-	-	-	30.00	-	-
S.M.Management Pvt Ltd.	-	-	-	-	-	-	20.58	20.16	-	-
Trade Combines	-	-	-	-	-	-	2.94	2.88	-	-
R S Homcon Ltd.	-	-	-	-	-	-	2.68	-	-	-
<b>Total</b>	-	-	-	-	-	-	<b>58.54</b>	<b>127.42</b>	-	-
<b>Remuneration Paid</b>										
Shri Shiv Prakash Mittal	-	-	-	-	399.07	339.93	-	-	-	-
Shri Rajesh Mittal	-	-	-	-	390.04	330.81	-	-	-	-
Shri Shobhan Mittal	-	-	-	-	348.54	337.77	-	-	-	-
Shri Saurabh Mittal	-	-	-	-	-	327.21	-	-	-	-
Mr. Susil Kumar Pal	-	-	-	-	13.60	-	-	-	-	-
Mr. Vinod Kumar Kothari	-	-	-	-	12.98	-	-	-	-	-
Mr. Anupam Kumar Mukerji	-	-	-	-	13.48	-	-	-	-	-
Mr. Upendra Nath Challu	-	-	-	-	12.92	-	-	-	-	-
Ms. Sonali Bhagwati Dalal	-	-	-	-	11.40	-	-	-	-	-
Mr. Moina Yometh Konyak	-	-	-	-	11.40	-	-	-	-	-
Mr. V. Venkatramani	-	-	-	-	76.01	-	-	-	-	-
Mr. Kaushal Kumar Agarwal	-	-	-	-	38.06	-	-	-	-	-
Mrs. Parul Mittal	-	-	-	-	-	-	-	-	-	29.90
Mrs. Chitwan Mittal	-	-	-	-	-	-	-	-	14.21	14.89
Mrs. Surbhi Poddar	-	-	-	-	-	-	-	-	11.37	5.68
Mr. Sanidhya Mittal	-	-	-	-	-	-	-	-	6.96	-
<b>Total</b>	-	-	-	-	<b>1327.50</b>	<b>1335.72</b>	-	-	<b>32.54</b>	<b>50.47</b>
<b>Finance (Equity Contribution)</b>										
Greenply Industries (Myanmar) Pvt. Ltd.	505.34	1310.40	-	-	-	-	-	-	-	-
Greenply Trading Pte. Ltd	1402.86	59.99	-	-	-	-	-	-	-	-
Greenlam Industries Ltd.	-	5.00	-	-	-	-	-	-	-	-
Greenlam VT Industries Pvt Ltd	-	1.00	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1908.20</b>	<b>1376.39</b>	-	-	-	-	-	-	-	-
<b>Loan Taken and Repaid</b>										
S.M.Management Pvt Ltd.	-	-	-	-	-	-	-	1000.00	-	-
<b>Total</b>	-	-	-	-	-	-	-	1000.00	-	-
<b>Loan Given and Received</b>										
Greenlam Industries Ltd.	-	-	-	-	-	-	25.00	-	-	-
<b>Total</b>	-	-	-	-	-	-	<b>25.00</b>	-	-	-
<b>Guarantee Given</b>										
Greenlam Asia Pacific Pte. Ltd.	11496.90	5855.19	-	-	-	-	-	-	-	-
<b>Total</b>	<b>11496.90</b>	<b>5855.19</b>	-	-	-	-	-	-	-	-

# Notes on Financial Statements

for the year ended March 31, 2015

## 35.2 Transactions during the year: (Contd.)

₹ in Lacs

Particulars	Subsidiaries		Joint Venture		Key Management Personnel / Director		Enterprises Owned/ Influenced by Key Management Personnel or their relatives		Relatives of Key Management Personnel	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
<b>Amount outstanding as at Balance Sheet date:</b>										
<b>Trade Receivable</b>										
Greenlam Asia Pacific Pte. Ltd.	-	2807.17	-	-	-	-	-	-	-	-
Greenlam America, Inc.	-	47.55	-	-	-	-	-	-	-	-
Greenlam Europe (UK) Ltd.	-	1018.76	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>3873.48</b>	-	-	-	-	-	-	-	-
<b>Trade Payable</b>										
Greenply Alkernal (Singapore) Pte Ltd	-	-	259.03	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>259.03</b>	-	-	-	-	-	-	-
<b>Remuneration Payable</b>										
Shri Shiv Prakash Mittal	-	-	-	-	208.18	149.37	-	-	-	-
Shri Rajesh Mittal	-	-	-	-	208.18	149.37	-	-	-	-
Shri Shobhan Mittal	-	-	-	-	208.18	149.37	-	-	-	-
Shri Saurabh Mittal	-	-	-	-	-	149.37	-	-	-	-
Mrs. Parul Mittal	-	-	-	-	-	-	-	-	-	2.54
<b>Total</b>	-	-	-	-	<b>624.54</b>	<b>597.48</b>	-	-	-	<b>2.54</b>

**35.3** 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 : Related Party Relationship is as identified by the Company and relied upon by the Auditors.**

## 36. FLUCTUATION IN LONG TERM FOREIGN CURRENCY MONETARY ITEMS

The Company has exercised the option available to it under Rule 46A of the Companies (Accounting Standards) (Second Amendment) Rules, 2011 in respect of accounting for fluctuations in foreign exchange relating to “Long Term Foreign Currency Monetary Items”. Accordingly, it has adjusted a gain of ₹ 746.10 Lacs (Previous year loss of ₹ 1885.52 Lacs) during the period to the cost of its fixed assets on account of such difference arising during the current period and has provided for depreciation thereon over the balance useful life of the respective assets. Consequently, the charge to the Statement of Profit and Loss is effected to that extent.

## 37. TAXATION

The Company's management is of the opinion that its international and domestic transactions

are at arm's length as per the independent accountants report for the year ended March 31, 2014. Management continues to believe that its international and domestic transactions post March 2014 and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expense and that of provision for taxation.

## 38. DEPRECIATION

In accordance with the provisions of the Companies Act 2013, effective from April 1, 2014, the Company has reassessed the remaining useful lives of its fixed assets prescribed by Schedule II to the Act or actual useful life of assets, whichever is lower. In case of any asset whose life has completed as above, the carrying value, net of residual value of ₹ 966.18 Lacs, as at April 1, 2014 has been adjusted to the Surplus in the Statement of Profit & Loss and in other cases

# Notes on Financial Statements

for the year ended March 31, 2015

the carrying value has been depreciated over the remaining of the revised life of the assets and recognized in the Statement of Profit and Loss.

**39.** The figures stated in the previous period are inclusive of figures of Decorative Business of the Company which have been demerged with effect from the appointed date (i.e. April 1, 2013),

## 41. 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 March 31, 2015 are summarized below:

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
Amount due within one year	65.65	94.16
Amount due between one year and five years	193.30	298.94
Amount due above five years	-	-
<b>Total</b>	<b>258.95</b>	<b>393.10</b>

## 42. EARNINGS PER SHARE

	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>Calculation of weighted average number of equity shares of ₹ 5 each:</b>		
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 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	12181.73	11446.67
<b>Basic Earnings Per Share ₹</b>	<b>50.47</b>	<b>47.42</b>
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 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	12181.73	11446.67
<b>Diluted Earnings Per Share ₹</b>	<b>50.47</b>	<b>47.42</b>

the accounting effect of which has been given in current year, and as such current year's figures are not comparable.

**40.** The figures for the previous period are re-classified/ re-arranged / re -grouped, wherever necessary so as to be in conformity with the figures of the current period's classification/ disclosure.

# Notes on Financial Statements

for the year ended March 31, 2015

## 43. DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE, WHICH ARE NOT INTENEDED FOR TRADING OR SPECULATION PURPOSE

### 43.1 Forward Contract outstanding as at balance sheet date :

Particulars	Currency	As at March 31, 2015		As at March 31, 2014	
		Foreign Currency	₹ in Lacs	Foreign Currency	₹ in Lacs
Purchase (Hedging of Buyers Credit)	EURO	107939	80.86	1608851	1390.51
	USD	14484073	9324.66	13463745	8589.96
	JPY	-	-	6683300	41.14
	HKD	-	-	14733511	1210.58
<b>Total</b>			<b>9405.52</b>		<b>11232.19</b>
Purchase (Hedging of Trade Payables)	EURO	249457	168.19	1525825	1258.69
	USD	1679903	1049.90	2378964	1424.76
	JPY	-	-	26207142	151.95
<b>Total</b>			<b>1218.09</b>		<b>2835.40</b>

### 43.2 Interest Rate Swap

Notional amount ₹ Nil (Previous year USD 60 Lacs ₹ 3593.40 Lacs)	Hedge against exposure to variable interest outflow on loans. Swap to pay fixed interest @ 2.12 % p.a. (in USD) and receive a variable interest @ 3 month USD-LIBOR on outstanding notional amount.
Notional amount USD 40.20 Lacs ₹ 2512.40 Lacs (Previous year USD 53.40 Lacs ₹ 3198.13 Lacs)	Hedge against exposure to variable interest outflow on loans. Swap to pay fixed interest @ 1.09 % p.a. (in USD) and receive a variable interest @ 3 month USD-LIBOR on outstanding notional amount.
Notional amount EURO 58.94 Lacs ₹ 3974.16 Lacs (Previous year EURO 68.77 Lacs ₹ 5672.87 Lacs)	Hedge against exposure to variable interest outflow on loans. Swap to pay fixed interest @ 1.06 % p.a. (in EURO) and receive a variable interest @ 6 month EURIBOR on outstanding notional amount.

### 43.3 Particulars of Unhedged Foreign Currency Exposures as at balance sheet date :

Particulars	Currency	As at March 31, 2015		As at March 31, 2014	
		Foreign Currency	₹ in Lacs	Foreign Currency	₹ in Lacs
Foreign Currency Term Loans	EURO	5894424	3974.16	7859232	6483.28
	USD	4020000	2512.40	14940000	8947.57
<b>Total</b>			<b>6486.56</b>		<b>15430.85</b>
Buyers Credit	EURO	-	-	1205844	994.73
	USD	-	-	3162320	1893.91
	JPY	-	-	9918	0.06
<b>Total</b>			-		<b>2888.70</b>
Trade Payables	EURO	154606	104.24	2065895	1704.21
	USD	1346654	841.63	3053587	1828.79
	GBP	2985	2.77	4476	4.47
	AED	10030	1.71	-	-
	CHF	3889	2.51	-	-
	THB	194701	3.74	-	-
	CNY	1566	0.16	-	-
<b>Total</b>			<b>956.76</b>		<b>3537.47</b>
Advance to Vendors	EURO	111795	75.37	1738691	1434.29
	USD	473237	295.76	642978	385.08
	SGD	-	-	2673	1.27
	CHF	510	0.33	2065	1.40
	GBP	-	-	67	0.07
<b>Total</b>			<b>371.46</b>		<b>1822.11</b>
Trade Receivables	EURO	31492	21.23	3161641	2608.12
	USD	60743	37.96	6507471	3897.32
<b>Total</b>			<b>59.19</b>		<b>6505.44</b>
Advance from Customers	USD	-	-	30981	18.55
<b>Total</b>			-		<b>18.55</b>

# Notes on Financial Statements

for the year ended March 31, 2015

## 44. PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS MADE BY THE COMPANY:

### (I) Details of loans:

SI No.	Date of loan	Date of Board Resolution	Date of Special Resolution (if any)	Name of borrower	Purpose for which the loan is proposed to be utilized by the recipient	Amount (₹)	Rate of interest	Security	Prevailing yield of 1/3/5/10 year Government Security at the time of extending the loan
1	15.11.2014	04.11.2014	Not Applicable	Greenlam Industries Limited	Considering the demerger process it was necessary for the Company to give loan to Greenlam Industries Limited for smooth operation of its initial post demerger formalities.	25,00,000	9% p.a.	Nil	Not Applicable. Loan was given for the maximum tenure of six months.

### (II) Details of investments:

SI No.	Date of investment	Date of Board Resolution	Date of Special Resolution (if any)	Name of investee	Purpose for which the proceeds from investment is proposed to be utilized by the recipient	Amount (₹)	Expected rate of return
1	03.04.2014	23.01.2013	Not Applicable	Greenply Industries (Myanmar) Pvt. Ltd.	For business requirements.	1,49,17,500	Not Applicable
2	15.05.2014	23.01.2013	Not Applicable	Greenply Industries (Myanmar) Pvt. Ltd.	For business requirements.	1,78,59,000	Not Applicable
3	02.06.2014	23.01.2013	Not Applicable	Greenply Industries (Myanmar) Pvt. Ltd.	For business requirements.	1,77,57,000	Not Applicable
4	21.07.2014	23.07.2013	Not Applicable	Greenply Trading Pte. Ltd.	For business requirements.	1,80,63,000	Not Applicable
5	27.08.2014	23.07.2013	Not Applicable	Greenply Trading Pte. Ltd.	For business requirements.	1,81,08,000	Not Applicable
6	08.09.2014	23.07.2013	Not Applicable	Greenply Trading Pte. Ltd.	For business requirements.	6,02,72,500	Not Applicable
7	10.03.2015	23.07.2013 & 04.11.2014	Not Applicable	Greenply Trading Pte. Ltd.	For business requirements.	4,38,42,750	Not Applicable

### (III) Details of guarantee provided

SI No.	Date of providing security/guarantee	Date of Board Resolution	Date of Special Resolution (if any)	Name of recipient	Purpose for which the security/guarantee is proposed to be utilized by the recipient	Amount (USD/SGD/EUR)	Commission
1	10.04.2014	29.03.2014	22.08.2014	Greenlam America, Inc.*	For working capital requirements	USD 1 million	NIL
2	25.06.2014	03.06.2014	22.08.2014	Greenlam America, Inc.*	For working capital requirements	USD 1 million	NIL
3	11.08.2014	18.07.2014	22.08.2014	Greenlam Asia Pacific Pte. Ltd.*	For working capital requirements	SGD 22900000	NIL
4	21.08.2014	03.06.2014	22.08.2014	Greenlam Europe(UK) Ltd.*	For working capital requirements	EURO 1 million	NIL
5	21.11.2014	07.11.2014	22.08.2014	Greenlam Asia Pacific Pte. Ltd.*	For working capital requirements	USD 1 million	NIL

\* The Guarantee given to banks are in respect of loans to its erstwhile Subsidiary. These Guarantees will cease immediately on execution of fresh guarantee by the resulting company in favour of the banks



# Notes on Financial Statements

for the year ended March 31, 2015

## 45. VALUE OF IMPORTS ON C.I.F. BASIS

	For the year ended March 31, 2015	For the year ended March 31, 2014
Raw Materials	20281.09	42532.93
Stock in Trade	2348.47	1698.31
Stores & Spare Parts	506.28	303.29
Capital Goods	1720.39	3524.07
<b>Total</b>	<b>24856.23</b>	<b>48058.60</b>

## 46. EXPENDITURE IN FOREIGN CURRENCY

	For the year ended March 31, 2015	For the year ended March 31, 2014
Revenue Expenditure	1392.23	1394.63

## 47. EARNINGS IN FOREIGN CURRENCY

	For the year ended March 31, 2015	For the year ended March 31, 2014
FOB Value of Exports	287.71	27966.76

## 48. INFORMATION REGARDING MICRO, SMALL AND MEDIUM ENTERPRISES

As at March 31, 2015, 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.

As per our annexed report of even date.

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

**(Dindayal Dhandaria)**  
Partner  
Membership No. 010928

Place of Signature : Kolkata  
Dated : May 25, 2015

**Shiv Prakash Mittal**  
Executive Chairman  
(DIN: 00237242)

**Susil Kumar Pal**  
Director  
(DIN: 00268527)

**V. Venkatramani**  
Chief Financial Officer

**Rajesh Mittal**  
Managing Director  
(DIN: 00240900)

**Shobhan Mittal**  
Joint Managing Director & CEO  
(DIN: 00347517)

**K. K. Agarwal**  
Company Secretary

# Independent Auditor’s Report

To  
The Members of  
**Greenply Industries Limited**

## REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of GREENPLY INDUSTRIES LIMITED (hereinafter referred to as “the Holding Company”) and its subsidiary (the Holding Company and its subsidiary together referred to as “the Group”) comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

## MANAGEMENT’S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company’s Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as “the Act”) 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 the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that

are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

## AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the 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

## Independent Auditor's Report

assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the consolidated state of affairs of the Group as at March 31, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

### EMPHASIS OF MATTER

We draw attention to Notes nos. 32, 3.1 and 7.1 to the consolidated financial statements which describe the effect of the Scheme of Arrangement on the Group and reciprocal charges, mortgages and encumbrances on the immovable asset of the Group and of Greenlam Industries Limited, respectively.

Our opinion is not modified in respect of this matter.

### OTHER MATTERS

We did not audit the financial statements of the subsidiary whose financial statements reflect total assets of ₹ 1736.77 lacs as at March 31, 2015, total revenues of ₹ 241.20 lacs and net cash outflows amounting to ₹ 7.28 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

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

## Independent Auditor's Report

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group company is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

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

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 30.1.1 to the consolidated financial statements.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

For **D. DHANDARIA & COMPANY**

Chartered Accountants

ICAI Firm Reg. No. 306147E

**(Dindayal Dhandaria)**

Partner

Membership No. 010928

Place of Signature: Kolkata

Dated: May 25, 2015

# Consolidated Balance Sheet

as at March 31, 2015

₹ in Lacs			
	Note No.	As at March 31, 2015	As at March 31, 2014
<b>EQUITY AND LIABILITIES:</b>			
<b>Shareholders' Funds :</b>			
Share Capital	1	1206.82	1206.82
Reserves & Surplus	2	47425.92	57164.78
		48632.74	58371.60
<b>Minority Interest</b>		-	4.81
<b>Non-current Liabilities :</b>			
Long-Term Borrowings	3	12660.74	26817.17
Deferred Tax Liabilities (Net)	4	4030.33	4916.71
Other Long Term Liabilities	5	1026.52	837.92
Long-Term Provisions	6	1565.92	1980.81
		19283.51	34552.61
<b>Current Liabilities</b>			
Short-Term Borrowings	7	13167.69	35265.76
Trade Payables		22494.53	35258.73
Other Current Liabilities	8	9972.86	17464.48
Short-Term Provisions	9	1335.58	1091.70
		46970.66	89080.67
<b>Total :</b>		<b>114886.91</b>	<b>182009.69</b>
<b>ASSETS :</b>			
<b>Non-current Assets</b>			
<b>Fixed Assets :</b>	10		
Tangible Assets		53005.67	69134.02
Intangible Assets		298.22	735.71
Capital Work-in-Progress		1390.70	11712.42
		54694.59	81582.15
<b>Non-current Investments</b>	11	1697.88	8.96
<b>Long Term Loans &amp; Advances</b>	12	1437.27	6313.16
<b>Other Non-current Assets</b>	13	23.89	771.39
		57853.63	88675.66
<b>Current Assets</b>			
Current Investments	14	1815.73	-
Inventories	15	19030.39	42436.66
Trade Receivables	16	25721.80	37172.54
Cash & Bank Balances	17	766.68	1324.15
Short Term Loans & Advances	18	9678.49	12370.33
Other Current Assets	19	20.19	30.35
		57033.28	93334.03
<b>Total :</b>		<b>114886.91</b>	<b>182009.69</b>
Significant Accounting Policies			
See Accompanying Notes to the Financial Statements	1 to 43		

As per our annexed report of even date.

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

**(Dindayal Dhandaria)**  
Partner  
Membership No. 010928

Place of Signature : Kolkata  
Dated : May 25, 2015

**Shiv Prakash Mittal**  
Executive Chairman  
(DIN: 00237242)

**Susil Kumar Pal**  
Director  
(DIN: 00268527)

**V. Venkatramani**  
Chief Financial Officer

**Rajesh Mittal**  
Managing Director  
(DIN: 00240900)

**Shobhan Mittal**  
Joint Managing Director & CEO  
(DIN: 00347517)

**K. K. Agarwal**  
Company Secretary

# Consolidated Statement of Profit and Loss

for the year ended March 31, 2015

₹ in Lacs			
	NOTE NO.	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>INCOME:</b>			
Sale of Products		161730.54	230823.70
Other Operating Revenue		366.63	177.68
		162097.17	231001.38
Less : Central Excise Duty		5672.13	9312.21
Revenue from Operations	20	156425.04	221689.17
Share of Profit from Joint Venture		249.16	-
Other Income	21	109.07	802.55
<b>Total Revenue</b>		<b>156783.27</b>	<b>222491.72</b>
<b>EXPENDITURE:</b>			
Cost of Materials Consumed	22	72682.70	116656.21
Purchase of Stock in Trade	23	19054.83	14235.95
Changes in Inventories of Finished Goods, Stock in Process and Stock in Trade	24	(827.80)	(2518.57)
Employees Benefits Expense	25	14497.88	22109.99
Finance Costs	26	3591.30	6017.22
Depreciation & Amortization Expense	27	4706.11	5957.22
Other Expenses	28	30594.10	42733.22
Loss/(Gain) due to Fluctuation in Foreign Exchange Rates		(60.13)	1892.06
Impairment Loss recognised on goodwill		-	124.93
<b>Total Expenditure</b>		<b>144238.99</b>	<b>207208.23</b>
<b>Profit before Exceptional Items and Tax</b>		<b>12544.28</b>	<b>15283.49</b>
Exceptional Items - Loss/(Gain)	29	(1575.53)	-
<b>Profit before Tax [including ₹ Nil (Previous Year ₹ 4922.77 lacs) for discontinued operations - Refer Note No. 33]</b>		<b>14119.81</b>	<b>15283.49</b>
<b>Tax Expense</b>			
Current Tax		2940.50	3147.83
Earlier years Tax		(2.09)	64.10
Add/ (Less) : Mat Credit Entitlement		(963.53)	(531.83)
		1974.88	2680.10
Deferred Tax		(278.01)	845.60
		12422.94	11757.79
Minority Interest		-	0.55
<b>Profit for the Year [including ₹ Nil (Previous Year ₹ 4035.35 lacs) for discontinued operations - Refer Note No. 33]</b>		<b>12422.94</b>	<b>11757.24</b>
<b>Earnings per Equity Share of face value of ₹ 5 each</b>	41		
Basic (in ₹)		51.47	48.71
Diluted (in ₹)		51.47	48.71
Significant Accounting Policies			
See Accompanying Notes to the Financial Statements	1 to 43		

As per our annexed report of even date.

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

**(Dindayal Dhandaria)**  
Partner  
Membership No. 010928

Place of Signature : Kolkata  
Dated : May 25, 2015

**Shiv Prakash Mittal**  
Executive Chairman  
(DIN: 00237242)

**Susil Kumar Pal**  
Director  
(DIN: 00268527)

**V. Venkatramani**  
Chief Financial Officer

**Rajesh Mittal**  
Managing Director  
(DIN: 00240900)

**Shobhan Mittal**  
Joint Managing Director & CEO  
(DIN: 00347517)

**K. K. Agarwal**  
Company Secretary



# Consolidated Cash Flow Statement

for the year ended March 31, 2015

			₹ in Lacs	
			For the year ended March 31, 2015	For the year ended March 31, 2014
<b>A. CASH FLOW ARISING FROM OPERATING ACTIVITIES:</b>				
Profit before Taxation, and Extraordinary items			14119.81	15283.49
Add:	a)	Depreciation & Amortisation Expense	4706.11	5957.22
	b)	Finance Costs	3591.30	6017.22
	c)	Provision for Doubtful Debts	150.13	-
	d)	Loss on Sale / Discard of Fixed Assets	161.21	365.53
	e)	Miscellaneous Expenditure written off	20.76	26.03
	f)	Impairment of Goodwill	-	124.93
	g)	On Cessation of Subsidiary Company	-	61.51
	h)	Effect of Exchange Rate Changes	36.77	(362.05)
			8666.28	12190.39
			22786.09	27473.88
Less:	a)	Interest Income	78.95	565.62
	b)	Share of Profit from Joint Venture	249.16	-
	c)	Unrealised Foreign Exchange Fluctuations	59.19	112.38
	d)	Dividend Received	0.02	0.09
			387.32	678.09
Operating Profit before Working Capital Changes			22398.77	26795.79
Less:	a)	Increase in Trade and Other Receivables	4582.15	5240.87
	b)	Increase in Inventories	(572.97)	6656.96
	c)	Decrease in Trade Payables	(3120.25)	(7069.73)
			888.93	4828.10
Cash Inflow (+)/Outflow (-) from Operations			21509.84	21967.69
Less: Income Tax Paid			2768.44	3041.80
<b>Net Cash Inflow (+)/Outflow (-) in course of Operating Activities</b>			<b>18741.40</b>	<b>18925.89</b>
<b>B. CASH FLOW ARISING FROM INVESTING ACTIVITIES:</b>				
Outflow				
	a)	Acquisition of Fixed Assets	9341.19	18009.73
	b)	Interest amount Capitalised	-	299.97
	c)	Investment	1945.10	-
			11286.29	18309.70
Less : Inflow				
	a)	Sale of Fixed Assets	761.96	603.57
	b)	Interest Received	70.37	539.37
	c)	Dividend Received	0.02	0.09
			832.35	1143.03
<b>Net Cash Inflow (+) / Outflow (-) in course of Investing Activities</b>			<b>(10453.94)</b>	<b>(17166.67)</b>

# Consolidated Cash Flow Statement

for the year ended March 31, 2015

			₹ in Lacs	
			For the year ended March 31, 2015	For the year ended March 31, 2014
<b>C. CASH FLOW ARISING FROM FINANCING ACTIVITIES:</b>				
Inflow				
	a)	Proceeds from Long Term Borrowings	5000.00	13255.95
	b)	Short Term Borrowings (Net)	(592.01)	1449.50
	c)	Deferred Payment Liabilities (Net)	1010.11	586.60
			5418.10	15292.05
Deduct : Outflow				
	a)	Miscellaneous Expenditure	71.56	31.41
	b)	Repayment of Long Term Borrowings	9062.57	10516.54
	c)	Interest Paid	3671.62	6229.16
	d)	Dividend Paid	724.09	724.09
	e)	Corporate Dividend Tax Paid	123.06	123.06
			13652.90	17624.26
<b>Net Cash Inflow in course of Financing Activities</b>			<b>(8234.80)</b>	<b>(2332.21)</b>
<b>Net Increase (+) / Decrease in Cash/Cash Equivalents</b>			<b>52.66</b>	<b>(572.99)</b>
Balance at the beginning of the year			545.69	1118.68
Less : Transferred pursuant to Scheme of Arrangement (Refer Note No. 32)			207.45	-
Less : Reduction due to removal of Subsidiary from Consolidation (Refer Note No. 38.a)			46.81	-
			<b>291.43</b>	<b>1118.68</b>
<b>Cash / Cash Equivalents at the close of the year</b>			<b>344.09</b>	<b>545.69</b>

As per our annexed report of even date.

For **D. DHANDARIA & COMPANY**

Chartered Accountants  
ICAI Firm Reg. No. 306147E

**(Dindayal Dhandaria)**

Partner  
Membership No. 010928

Place of Signature : Kolkata

Dated : May 25, 2015

**Shiv Prakash Mittal**

Executive Chairman  
(DIN: 00237242)

**Susil Kumar Pal**

Director  
(DIN: 00268527)

**V. Venkatramani**

Chief Financial Officer

**Rajesh Mittal**

Managing Director  
(DIN: 00240900)

**Shobhan Mittal**

Joint Managing Director & CEO  
(DIN: 00347517)

**K. K. Agarwal**

Company Secretary

# Significant Accounting Policies

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 engaged in the business of manufacturing plywood and allied products, medium density fibre boards and allied products through its factories at various locations and branches and dealers' network spread all over the country. It has two wholly owned subsidiary companies in overseas countries. The Company imports raw materials for manufacturing and also finished goods for trading. Manufactured goods are sold both in domestic and overseas markets.

Greenply Industries (Myanmar) Pvt. Ltd., subsidiary of the Company is engaged in manufacturing of products which constitutes raw materials to the Company and providing the same to Company and others. Greenply Trading Pte. Ltd., subsidiary of the Company operates as an investment vehicle and has invested into a Joint Venture Company viz. Greenply Alkemal (Singapore) Pte. Ltd., based out of Singapore.

#### 1.01.02 Accounting Concepts & Basis of Presentation

The financial Statements are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as specified in the Company (Accounting Standards) Rules 2006 read with Rule 7(1) of the Companies (Accounts) Rules, 2014 and the provisions of the Companies Act, 2013. 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 Company's management evaluates all recently issued or revised accounting standards on an on-going basis.

The Normal Operating Cycle for the Company has been assumed to be of twelve months for classification of its various assets and liabilities into "Current" and "Non-current".

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:

Greenply Industries (Myanmar) Pvt. Ltd. and Greenply Trading Pte. Ltd. continue to be wholly-owned subsidiaries of the Company.

Greenlam Asia Pacific Pte Ltd. (Formerly: Gil Intercontinental Pte. Ltd.), Singapore and its four step down subsidiaries viz. Greenlam Asia Pacific (Thailand) Co. Ltd., Greenlam Holding Co. Ltd., PT. Greenlam Asia Pacific and Greenlam Europe (UK) Ltd., Greenlam America Inc., Florida (U.S.A), Greenlam Industries Limited and Greenlam VT Industries Private Limited cease to be wholly-owned subsidiaries of the Company, pursuant to the Scheme of Arrangement between Greenlam Industries Limited, the Company and their respective shareholders and creditors as approved by the High Court of Gauhati vide its order dated October 31, 2014, which became effective on November 17, 2014 on filing with the Registrar of Companies.

The financial statements of Greenply Trading Pte. Ltd. have been included in the Group's Consolidated Financial Statements. The financial statements of another subsidiary, Greenply Industries (Myanmar) Pvt. Ltd. has not been included in the Group's Consolidated Financial Statements since the control over the same is intended to be temporary and held exclusively with a view to its subsequent disposal in the near future.

#### 1.02 Valuation of Inventories (AS - 2):

1.02.01 Stock of Raw Materials, Stores and spare parts are valued at lower of cost or net realisable

# Significant Accounting Policies

Forming Part of Consolidated Financial Statements

value; and of those in transit and at port related to these items are valued at lower of cost to date or net realisable value.

1.02.02 Goods-in-process is valued at lower of cost or net realisable value.

1.02.03 Stock of Finished goods is valued at lower of cost or net realisable value.

1.02.04 Stock-in-trade is valued at lower of cost or net realisable value.

1.02.05 Waste and scraps are accounted at estimated realisable value.

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

1.02.07 Growing Crops and Clonal Plants are valued at lower of cost or net realisable value.

#### 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, cash/cheques in hand and short term investments (excluding pledged term deposits) 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 Statement of Profit & Loss.

#### 1.06 Depreciation (AS - 6):

##### Relating to the Parent Company:

1.06.01 Tangible assets including continuous process plants are depreciated and/or amortised on the basis of their useful lives as notified in Schedule II to the Companies Act, 2013. Depreciation in respect of additions to assets has been charged on pro rata basis with reference to the period when the assets are ready for use. The provision for depreciation for multiple shifts has been made in respect of eligible assets on the basis of operation of respective units. Where the historical cost of a depreciable asset undergoes a change due to increase or decrease in long term liability on account of exchange fluctuations, the depreciation on the revised unamortised depreciable amount is provided prospectively over the residual useful life of the asset.

1.06.02 Leasehold lands are amortised over the period of lease.

1.06.03 Intangible assets are amortised on straight-line method as follows :

Goodwill	-	5 years
Trademarks	-	10 years
Computer Software	-	5 years
Technical Know-how	-	3 years

#### 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: Revenue from sales of goods is recognised on transfer of significant risks and rewards of ownership to the customers. Gross sales shown in the Statement of Profit & Loss are inclusive of Excise Duty and the value of self-consumption and inter-transfers but excludes Trade discounts, CST and VAT. Net sales are shown after deducting Excise duty which is disclosed at appropriate places.

1.07.02 Services: Revenue from Services are recognized as and when the services are rendered. The Company collects service tax on

# Significant Accounting Policies

Forming Part of Consolidated Financial Statements

behalf of the government and therefore, it is not an economic benefit flowing to the Company and hence excluded from Revenue.

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

**1.07.04 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.

**1.07.05 Insurance Claims:** Insurance Claims are accounted for on acceptance and when there is a reasonable certainty of receiving the same, on grounds of prudence.

## 1.08 Accounting for Tangible and Intangible Assets (AS - 10):

**1.08.01** Tangible assets are stated at original cost (net of tax/duty credit availed) less accumulated depreciation, amortisation and impairment losses except freehold land which is carried at cost. Cost includes cost of acquisition, construction and installation, taxes, duties, freight, other incidental expenses related to the acquisition, trial run expenses (net of revenue) and pre-operative expenses including attributable borrowing costs incurred during pre-operational period.

**1.08.02** Tangible assets which are not ready for their intended use on reporting date are carried as capital work-in-progress at cost, comprising direct cost and related incidental expenses.

**1.08.03** The Company has exercised the option available to it under Rule 46A of the Companies (Accounting Standards) (Second Amendment) Rules, 2011 in respect of accounting for fluctuations in foreign exchange relating to “Long Term Foreign Currency Monetary Items”.

**1.08.04** Intangible assets are carried at cost, net of accumulated amortization and impairment loss, if any.

## 1.09 Accounting for The Effects in Foreign Exchange Rates (AS - 11):

**1.09.01 Initial Recognition:** Transactions denominated in foreign currencies are normally

recorded at the exchange rates prevailing at the time of the transactions.

**1.09.02 Conversion:** Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

**1.09.03 Exchange Differences:** Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or expenses in the year in which they arise.

**1.09.04 Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/liability:** The premium or discount arising at the inception of forward exchange contract is recognized as an expense/income on the date of transaction. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or expense for the period. 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.

**1.09.05 Non-Integral Foreign Operations:** In case of its wholly owned subsidiary company, 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 Statement of Profit and Loss. Such difference is ultimately dealt with when the net investment in the related foreign operation is disposed off.

**1.10 Accounting for Investments (AS - 13):** Investments that are readily realisable and intended to be held for not more than a year are classified as Current investments. All other investments are classified as Non-Current/

# Significant Accounting Policies

Forming Part of Consolidated Financial Statements

Long-term Investments. Current investments are carried at lower of cost and market value on individual investment basis. Non-Current/Long term Investments are considered at cost, unless there is an “other than temporary” decline in value, in which case adequate provision is made for the diminution in the value of 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 Statement of Profit and Loss 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 Statement of Profit and Loss.

## 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) 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.

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



# Significant Accounting Policies

Forming Part of Consolidated Financial Statements

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** All the two subsidiary Companies of the group are wholly owned.

**1.18 Accounting for Taxes on Income (AS - 22):**

**1.18.01** Tax expenses comprise of current tax and deferred tax including applicable surcharge and cess.

**1.18.02** Current Income tax is computed using the tax effect accounting method, where taxes are accrued in the same period in which 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.

**1.18.03** 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 and Deferred Tax Liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the Deferred Tax Assets and Deferred Tax Liabilities relate to taxes on income levied by same governing taxation laws. 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.

**1.18.04** 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 Statement of Profit and Loss 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.

**1.19 Discontinuing Operations (AS - 24):**

Pursuant to the approval of the High Court, effect has been given in the Financial Statements to the “Composite Scheme of Arrangement” approved by the Board of Directors. The assets & liabilities of the Demerged Undertaking have been transferred to and vested in Greenlam Industries Limited and are disclosed by way of Notes on Accounts.

**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., Goodwill, Trademarks, Computer Software and Technical Know-how are disclosed at cost less amortization on a straight-line basis over its estimated useful life.

**1.21 Impairment of Tangible and Intangible Assets (AS - 28)**

At each balance sheet date, the Company reviews the carrying amount of tangible and intangible assets to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and the value in use, determined by discounting the

# Significant Accounting Policies

Forming Part of Consolidated Financial Statements

estimated future cash flows expected from the continuing use of the asset to their present value.

**1.22 Provisions, Contingent Liabilities and Contingent Assets (AS – 29):**

**1.22.01** Provisions are made when (a) the Company has a present obligation as a result of past events; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate is made of the amount of the obligation.

**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 Excise Duty and Custom Duty:**

Excise Duty on finished goods stock lying at the factories is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods lying in the factories as on the Balance Sheet date. Similarly, Custom Duty on imported material in transit/lying in bonded warehouse is accounted for at the time of import/bonding of materials.

**1.24 Consumption of Raw Materials, Stores & Spare Parts Etc.:**

The costs of Raw Materials, Stores and spare parts etc., consumed consist of purchase price including duties and taxes (other than those

subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to the procurement.

**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 Expenses for Corporate Social Responsibility:**

In case of CSR activities undertaken by the Company, if any expenditure of revenue nature is incurred on any of the activities mentioned in Schedule VII to the Companies Act, 2013, the same is charged as an expense to its Statement of Profit and Loss. In case, the expenditure incurred by the Company is of such a nature which gives rise to an asset, such an asset is recognised where the Company retains the control of the asset and any future economic benefit accrues to it. A liability incurred by entering into a contractual obligation is recognised to the extent to which CSR activity is completed during the year.

**1.27 Miscellaneous Expenditure Written Off:**

The share issue expenses and expenses related to Scheme of Arrangement are written off in five equal annual installments in accordance with the provisions of Section 35DD of the Income Tax Act, 1961.

# Notes on Consolidated Financial Statements

for the year ended March 31, 2015

## 1. SHARE CAPITAL

	As at March 31, 2015		As at March 31, 2014	
	Number	₹ in Lacs	Number	₹ in Lacs
<b>1.1 Authorised</b>				
Equity Shares of ₹ 5 each	32000000	1600.00	32000000	1600.00
Cumulative Redeemable Preference Shares of ₹10 each	5000000	500.00	5000000	500.00
<b>Total</b>	<b>37000000</b>	<b>2100.00</b>	<b>37000000</b>	<b>2100.00</b>
<b>1.2 Issued, Subscribed and Fully Paid up</b>				
Equity Shares of ₹ 5 each	24136374	1206.82	24136374	1206.82
<b>1.3 The reconciliation of the number of shares outstanding</b>				
Equity Shares at the beginning of the year	24136374	1206.82	24136374	1206.82
Add : Allotted during the year	-	-	-	-
<b>Total</b>	<b>24136374</b>	<b>1206.82</b>	<b>24136374</b>	<b>1206.82</b>

### 1.4 Terms/Rights attached to the Equity Shares

The Company has only one class of equity Shares having a par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year, the amount of per share dividend recognized as distribution to equity shareholders was ₹ 3 (Previous year ₹ 3)

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. This distribution will be in proportion to the number of equity shares held by the shareholders.

### 1.5 Name of the Shareholders holding more than 5% Shares

	As at March 31, 2015		As at March 31, 2014	
	Number	%	Number	%
<b>Equity Shares</b>				
S.M.Management Pvt Ltd	3543462	14.68%	3543462	14.68%
Greenply Leasing & Finance Pvt Ltd	2714731	11.25%	2714731	11.25%
Prime Holdings Pvt Ltd	2408560	9.98%	2408560	9.98%
HSBC Bank (Mauritius) Ltd				
A/C Jwalamukhi Investment Holdings	2376884	9.85%	2376884	9.85%
Ashish Dhawan	2369488	9.82%	2369488	9.82%
Shiv Prakash Mittal, Saurabh Mittal & Shobhan Mittal on behalf of Trade Combines, partnership firm	-	-	2110476	8.74%
HDFC Trustee Company Ltd	1913642	7.93%	1561537	6.47%
Saurabh Mittal	1686457	6.99%	-	-

In the current year, the above information is furnished taking into consideration the fact whether or not the beneficial ownership is reflected in the records of the Depository. In the previous year the above information was furnished taking into consideration the beneficial ownership of shares as informed to the Company and the Registrar of Companies through filing of requisite forms.

# Notes on Consolidated Financial Statements

for the year ended March 31, 2015

**1.6** The Company has not reserved any shares for issue under options and contracts/commitments for the sale of shares/disinvestment.

**1.7** The Company for the period of five years immediately preceding the date of Balance Sheet has not:

- Allotted any class of shares as fully paid pursuant to contract(s) without payment being received in cash.
- Allotted fully paid up shares by way of bonus shares.
- Bought back any class of shares.

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
<b>Capital Reserve</b>		
As per last Balance Sheet	80.00	80.00
Less : Transferred pursuant to Scheme of Arrangement (Refer Note No. 32)	80.00	-
	-	80.00
<b>Capital Redemption Reserve</b>		
As per last Balance Sheet	500.00	500.00
Less : Transferred pursuant to Scheme of Arrangement (Refer Note No. 32)	500.00	-
	-	500.00
<b>Securities Premium Account</b>		
As per last Balance Sheet	11625.92	11625.92
Less : Transferred pursuant to Scheme of Arrangement (Refer Note No. 32)	11625.92	-
	-	11625.92
<b>General Reserve</b>		
As per last Balance Sheet	7978.58	6578.58
Add: Transferred from Statement of Profit and Loss	6500.00	1400.00
Less : Transferred pursuant to Scheme of Arrangement (Refer Note No. 32)	4016.34	-
	10462.24	7978.58
<b>Surplus, i.e. balance in Statement of Profit &amp; Loss</b>		
As per last Balance Sheet	36980.28	27408.68
Add : Net profit for the current year	12422.94	11757.24
Add : On cessation of subsidiary	(61.51)	61.51
Less : Transferred pursuant to Scheme of Arrangement (Refer Note No. 32)	4035.35	-
Less : Adjustment for Depreciation on reassessment of useful lives of tangible assets (Refer Note No. 37)	966.18	-
Less : Adjusted on cancellation of Investment	5.00	-
Less : Transferred to General Reserve	6500.00	1400.00
Less : Proposed Dividend on Equity Shares	724.09	724.09
[Dividend Per Share ₹ 3 (Previous year ₹ 3)]		
Less : Tax on Distribution of Dividend	147.41	123.06
	36963.68	36980.28
<b>Total</b>	<b>47425.92</b>	<b>57164.78</b>

# Notes on Consolidated Financial Statements

for the year ended March 31, 2015

## 3. LONG-TERM BORROWINGS

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
<b>Secured</b>		
Term Loans		
From Banks		
Foreign Currency Loans	6486.56	16222.10
Rupee Loans	10600.67	20787.57
	17087.23	37009.67
Less : Current maturities of Long Term Borrowings	6563.36	11550.98
	10523.87	25458.69
From Others		
Rupee Loans	-	588.24
Less : Current maturities of Long Term Borrowings	-	588.24
	-	-
Deferred Payment Liabilities	850.91	884.95
Less: Current maturities of Deferred Payment Liabilities	209.47	239.95
	641.44	645.00
	11165.31	26103.69
<b>Unsecured</b>		
Deferred Payment Liabilities	2047.43	1086.99
Less: Current maturities of Deferred Payment Liabilities	552.00	373.51
	1495.43	713.48
<b>Total</b>	<b>12660.74</b>	<b>26817.17</b>

**3.1** Term Loan from Landesbank Baden-Wurttemberg of ₹ 3974.16 lacs is secured by first priority security charge on Main Press Line of MDF plant. Subject to Note no. 32.2.7, Other Term Loans of ₹ 13113.07 lacs are secured by first mortgage and charge on the immovable and movable properties of the holding 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 of the holding company.

**3.2** Secured Deferred payment liabilities are in respect of finance of vehicles, secured by hypothecation of the respective vehicles.

### 3.3 Terms of Repayment and Rate of Interest

	Rate of Interest	Repayment Schedule						
		2015-16*	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
<b>Term Loans from Banks (Secured)</b>								
6 Half Yearly Installments	2.84%	1324.72	1324.72	1324.72	-	-	-	-
12 Quarterly Installments	4.49%	824.97	824.97	862.47	-	-	-	-
20 Quarterly Installments	11.30%	368.00	504.00	504.00	504.00	504.00	-	-
16 Quarterly Installments	11.30%	-	500.00	500.00	500.00	500.00	-	-
4 Quarterly Installments	11.70%	1796.67	-	-	-	-	-	-
20 Quarterly Installments	11.75%	500.00	500.00	500.00	500.00	500.00	-	-
5 Quarterly Installments	12.25%	684.00	171.00	-	-	-	-	-
4 Quarterly Installments	12.75%	1065.00	-	-	-	-	-	-
		<b>6563.36</b>	<b>3824.69</b>	<b>3691.18</b>	<b>1504.00</b>	<b>1504.00</b>	<b>-</b>	<b>-</b>

# Notes on Consolidated Financial Statements

for the year ended March 31, 2015

## 3.3 Terms of Repayment and Rate of Interest (Contd.)

	Rate of Interest	Repayment Schedule					
		2015-16*	2016-17	2017-18	2018-19	2019-20	2021-22
<b>Deferred Payment Liabilities</b>							
Secured	9.65% to	209.47	159.61	135.71	125.84	124.73	75.41
Unsecured	13%	552.00	530.84	396.48	184.63	159.68	154.33
		<b>761.47</b>	<b>690.45</b>	<b>532.19</b>	<b>310.47</b>	<b>284.41</b>	<b>229.74</b>
							<b>89.61</b>

\* Represents Current Maturities of Long Term Borrowings.

**3.4** The company has not defaulted in repayment of loans and interest during the period.

## 4. DEFERRED TAX LIABILITIES (NET) :

	As at March 31, 2015	As at March 31, 2014
<b>Deferred Tax Liabilities :</b>		
Depreciation	4928.05	6128.26
<b>Less : Deferred Tax Assets :</b>		
Provision for Gratuity/Liabilities	897.72	1057.52
Deviation in value of Closing Stock U/S 145A	-	154.03
	897.72	1211.55
<b>Total</b>	<b>4030.33</b>	<b>4916.71</b>

## 5. OTHER LONG TERM LIABILITIES

	As at March 31, 2015	As at March 31, 2014
<b>Others</b>		
Security Deposits from Customers	1026.52	837.92

## 6. LONG TERM PROVISIONS

	As at March 31, 2015	As at March 31, 2014
Provisions for Employee Benefits (unfunded)		
For Gratuity	947.11	1157.64
For Leave Encashment	618.81	823.17
<b>Total</b>	<b>1565.92</b>	<b>1980.81</b>



# Notes on Consolidated Financial Statements

for the year ended March 31, 2015

## 7. SHORT TERM BORROWINGS

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
<b>Secured</b>		
Loans Repayable on Demand		
Working Capital Loans		
from Banks		
Foreign Currency Loans	-	6419.99
Rupee Loans	3652.97	12724.88
	3652.97	19144.87
<b>Unsecured</b>		
Other Loans and advances		
from Banks		
Foreign Currency Loan - Buyers' Credit	9405.52	14120.89
Rupee Loans	-	2000.00
from Others		
Rupee Loans	109.20	-
	9514.72	16120.89
<b>Total</b>	<b>13167.69</b>	<b>35265.76</b>

**7.1** Subject to Note no. 32.2.7, Working Capital Loans of ₹ 3652.97 lacs are secured by first charge by way of hypothecation of current assets and second charge over movable and immovable properties of the holding company except immovable properties at Tizit, Nagaland and Main Press line of MDF Plant, on pari-passu basis.

**7.2** The company has not defaulted in repayment of loans and interest during the period.

## 8. OTHER CURRENT LIABILITIES

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
Current maturities of Long Term Borrowings*	6563.36	12139.22
Current maturities of Deferred Payment Liabilities*	761.47	613.46
Interest accrued but not due on borrowings	49.79	132.67
Advance from Customers	810.00	1101.56
Unpaid Dividend	4.16	6.49
Statutory Dues	1784.08	3471.08
<b>Total</b>	<b>9972.86</b>	<b>17464.48</b>

\* 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 March 31, 2015	As at March 31, 2014
Provision for employee benefits		
Gratuity	147.98	95.20
Leave Salary	149.63	143.53
Provision for Taxation (Net of advance)	166.47	5.82
Proposed Dividend		
Equity Shares	724.09	724.09
Tax on Distribution of Dividend	147.41	123.06
<b>Total</b>	<b>1335.58</b>	<b>1091.70</b>

# Notes on Consolidated Financial Statements

for the year ended March 31, 2015

	₹ in Lacs	
	As at 31/03/2015	As at 31/03/2014
<b>NET BLOCK</b>		
	2251.32	3346.85
	633.50	1867.75
	1085.11	1375.63
	9963.57	14335.14
	33553.94	42143.55
	1715.59	1912.27
	2701.04	2984.93
	52.71	64.49
	1048.89	1103.41
	<b>53005.67</b>	<b>69134.02</b>
	-	5880
	-	12.77
	264.87	550.06
	33.35	114.08
	<b>298.22</b>	<b>735.71</b>
	1390.70	11712.42
	<b>54694.59</b>	<b>81582.15</b>
	81582.15	-
<b>DEPRECIATION</b>		
Upto 31/03/2014	For the Period	Adjustment pursuant to Scheme of Arrangement
	31/03/2014	31/03/2015
	-	-
	74.15	8.14
	59.19	11.98
	2535.99	837.22
	20651.76	3706.88
	636.85	217.72
	773.21	408.24
	105.04	14.15
	1078.57	311.79
	<b>25914.76</b>	<b>5516.12</b>
	-	<b>11561.45</b>
	-	<b>1235.63</b>
	340.00	-
	69.76	-
	592.40	144.32
	190.15	11.85
	<b>1192.31</b>	<b>156.17</b>
	-	-
	-	-
	<b>27107.07</b>	<b>5672.29</b>
	21829.58	5961.48
	37.78	-
	-	721.77
	-	27107.07
<b>GROSS BLOCK</b>		
As at 01/04/2014	During the Period	Deduction On Removal of Period
	Adjustment	Subsidiary
	3346.85	-
	1941.90	-
	1434.82	-
	16871.13	-
	62795.31	-
	2549.12	-
	3758.14	-
	169.53	-
	2181.98	-
	<b>95048.78</b>	<b>9561.04</b>
	-	<b>31115.80</b>
	-	<b>1854.55</b>
	398.80	-
	82.53	-
	1142.46	220.29
	304.23	45.20
	<b>1928.02</b>	<b>265.49</b>
	11712.42	721.27
	-	6839.08
	-	2213.82
	<b>108689.22</b>	<b>10547.80</b>
	90674.45	21651.25
	160.75	-
	-	3797.23
	-	108689.22
<b>OWN ASSETS</b>		
<b>Tangible Assets</b>		
Freehold Land	-	2251.32
Leasehold Land	-	710.63
Land Development	-	1155.99
Buildings	-	12026.74
Plant & Equipments	-	48313.50
Furniture & Fixtures	-	2127.54
Vehicles	-	3468.34
Heavy Vehicles	-	156.68
Office Equipments	-	1428.73
<b>Sub Total</b>	<b>9561.04</b>	<b>71639.47</b>
<b>Intangible Assets</b>		
Goodwill	-	340.00
Trademarks	-	-
Computer Software	-	606.65
Technical Knowhow	-	45.20
<b>Sub Total</b>	<b>265.49</b>	<b>991.85</b>
Capital Work In Progress	-	1390.70
<b>Total</b>	<b>10547.80</b>	<b>74022.02</b>
Previous Year's Total	21651.25	108689.22

**10.1** Addition to Plant & Equipments includes gain of ₹ 746.10 lacs (Previous year loss of ₹ 1885.52 lacs) on account of fluctuation in Foreign Exchange Rates. (Refer Note No. 37)

**10.2** Borrowing Cost capitalised during the period ₹ Nil (Previous period ₹ 299.97 lacs).

# Notes on Consolidated Financial Statements

for the year ended March 31, 2015

## 11. NON-CURRENT INVESTMENTS

	As at March 31, 2015		As at March 31, 2014	
	Number	₹ in Lacs	Number	₹ in Lacs
<b>Investments in Joint Venture</b>				
<b>Trade</b>				
<b>Unquoted, Fully Paid up</b>				
Greenply Alkema! (Singapore) Pte. Ltd.				
Equity (at Cost)	2303710	1439.76	-	-
Share of Profit	-	249.16	-	-
	<b>2303710</b>	<b>1688.92</b>	-	-
<b>Investments in Equity Instruments (at Cost)</b>				
<b>Quoted, Fully Paid up</b>				
<b>Other than Trade</b>				
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
<b>Total</b>		<b>1697.88</b>		<b>8.96</b>
Aggregate amount of Quoted Investments		8.96		8.96
Aggregate amount of Unquoted Investments		1688.92		-
<b>Total</b>		<b>1697.88</b>		<b>8.96</b>
Aggregate Market Value of Quoted Investments		33.79		133.04

### 11.1 Name of the entities included in consolidation

	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss	
	As % of consolidated Net Assets	₹ in Lacs	As % of consolidated Profit or Loss	₹ in Lacs
Parent - Greenply Industries Limited	99.52%	48397.73	98.06%	12181.73
<b>Subsidiary (Foreign)</b>				
Greenply Trading Pte. Ltd.	0.48%	235.01	1.94%	241.21
	<b>100.00%</b>	<b>48632.74</b>	<b>100.00%</b>	<b>12422.94</b>

### 11.2 Name of the entities not included in consolidation

#### Greenply Industries (Myanmar) Pvt Ltd (Wholly Owned Subsidiary)

It has not been consolidated in the current year since the control over the same is intended to be temporary and held exclusively with a view to its subsequent disposal in the near future. The aggregate amount of the subsidiary company's total assets, total liabilities, net sales and profit/(loss) so far as it concerns the members of the Holding Company and not dealt with in the Holding Company's accounts are as follows:

	₹ in Lacs
Total Assets as at March 31, 2015	5812.32
Total Liabilities as at March 31, 2015	3900.45
Net Sales for the year ended March 31, 2015	2966.89
Profit/(Loss) for the year ended March 31, 2015	166.00

# Notes on Consolidated Financial Statements

for the year ended March 31, 2015

## 12. LONG TERM LOANS & ADVANCES

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
<b>(Unsecured, considered good)</b>		
Capital Advances	656.36	5027.85
Security Deposits	780.91	1285.31
<b>Total</b>	<b>1437.27</b>	<b>6313.16</b>

## 13. OTHER NON-CURRENT ASSETS

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
Unamortised Expenses	-	1.23
Expenses pertaining to Scheme of Arrangement	60.55	-
Foreign Currency Translation Adjustment	(36.66)	770.16
<b>Total</b>	<b>23.89</b>	<b>771.39</b>

## 14. CURRENT INVESTMENTS

	As at March 31, 2015		As at March 31, 2014	
	Number	₹ in Lacs	Number	₹ in Lacs
<b>Investments in Equity Instruments (at Cost)</b>				
<b>Trade</b>				
<b>Unquoted, Fully Paid up</b>				
<b>Subsidiaries</b>				
Greenply Industries (Myanmar) Pvt Ltd (*)				
- Equity Shares of KYAT 100000 each	28786	1815.73	-	-

\* Re-classified as Current Investment as the Company intends to transfer its Control over this Subsidiary to Greenply Alkema! (Singapore) Pte Ltd - a Joint Venture of the Company.

## 15 INVENTORIES

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
<b>(at lower of cost or net realisable value)</b>		
Raw Materials	12199.50	24641.34
[including in Transit ₹ 412.28 Lacs (Previous year ₹ Nil), at Customs Warehouse ₹ Nil (Previous year ₹ 1742.90 Lacs) and at Port ₹ Nil (Previous year ₹ 11.98 Lacs)]		
Stock in Process	1229.75	2174.76
Finished Goods	3356.93	13087.94
[including in Transit ₹ 171.50 lacs (Previous year ₹ 909.74 lacs) and at Port ₹ Nil (Previous year ₹ 159.74 lacs)]		
Stock In Trade	991.56	679.62
[including in Transit ₹ 92.13 lacs (Previous year ₹ 16.30 lacs)]		
Certified Emission Reductions (CER)	-	8.68
Stores & Spares	1252.65	1844.32
<b>Total</b>	<b>19030.39</b>	<b>42436.66</b>

# Notes on Consolidated Financial Statements

for the year ended March 31, 2015

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
<b>15.1 Details of Closing Stock of Raw Materials</b>		
Paper	464.61	8869.80
Timber	7553.35	10082.49
Veneer	2265.76	2198.18
Chemicals	374.53	1561.43
Plywood, Particle Board & MDF	1394.15	1671.72
Laminates, Doorskin & Cubicals	147.10	257.72
<b>Total</b>	<b>12199.50</b>	<b>24641.34</b>
<b>15.2 Details of Closing Stock of Goods-in-Process</b>		
Plywood and Blockboard	634.88	751.78
Laminates	-	109.26
Medium Density Fibre Board	188.46	380.56
Veneer	310.93	347.93
Chemicals	50.25	127.69
Paper	16.63	451.97
Clonal Plants	28.60	5.57
<b>Total</b>	<b>1229.75</b>	<b>2174.76</b>
<b>15.3 Details of Closing Stock of Finished Goods</b>		
Plywood and Blockboard	2249.99	2002.05
Laminates	-	10025.67
Medium Density Fibre Board	726.97	891.93
Veneer	299.66	156.16
Wooden Flooring	80.31	12.13
<b>Total</b>	<b>3356.93</b>	<b>13087.94</b>
<b>15.4 Details of Closing Stock of Stock in Trade</b>		
Plywood and Blockboard	991.56	632.32
Laminates	-	47.30
<b>Total</b>	<b>991.56</b>	<b>679.62</b>
	Numbers	Numbers
<b>15.5 CERs held in inventory</b>	-	59864

## 16. TRADE RECEIVABLES

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
Outstanding for a period exceeding six months from date due for payment		
Secured, considered good	-	-
Unsecured, considered good	430.93	957.27
Unsecured, considered doubtful	150.13	-
	581.06	957.27
Less : Provision for Doubtful Trade Receivables *	150.13	18.81
	430.93	938.46
Other Debts		
Secured, considered good	115.69	64.00
Unsecured, considered good	25175.18	36170.08
	25290.87	36234.08
<b>Total</b>	<b>25721.80</b>	<b>37172.54</b>

\* as per estimate of the management

# Notes on Consolidated Financial Statements

for the year ended March 31, 2015

## 17 CASH & BANK BALANCES

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
<b>17.1 Cash &amp; Cash Equivalents</b>		
Balances with Banks	276.19	448.31
Cash on Hand	67.90	97.38
	344.09	545.69
<b>17.2 Other Bank Balances</b>		
Term Deposits with Banks		
(Receipts pledged with banks & others as security deposits)		
Maturity within 3 months	52.36	58.56
Maturity within 12 months	366.07	686.33
Maturity over 12 months	-	27.08
Balances with Banks - unpaid dividend	4.16	6.49
	422.59	778.46
<b>Total</b>	<b>766.68</b>	<b>1324.15</b>

## 18. SHORT TERM LOANS & ADVANCES

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
<b>(Unsecured, considered good)</b>		
Advance to Staff & Workers	141.32	323.52
Advance against Purchases	608.87	1816.75
Export Incentive Receivable	-	3784.61
Insurance Claim Receivable	38.76	53.02
Subsidy Receivable	-	14.93
Prepaid Expenses	917.34	1230.67
Service Tax Input Credit Receivable	215.09	252.64
Amount due from Central Excise Authorities	3511.69	1093.07
Advance Payment of Income Tax (Less Provision)	-	260.20
MAT Credit Entitlement	4095.40	3160.12
Advance Payment of Sales Tax (including unavailed VAT input credit)	150.02	380.80
<b>Total</b>	<b>9678.49</b>	<b>12370.33</b>

## 19. OTHER CURRENT ASSETS

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
Expenses pertaining to Scheme of Arrangement	20.19	-
Unamortised Expenses	-	30.35
<b>Total</b>	<b>20.19</b>	<b>30.35</b>



# Notes on Consolidated Financial Statements

for the year ended March 31, 2015

20. REVENUE FROM OPERATIONS		₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014	
<b>Sale of Products</b>			
Manufactured Goods	139014.15	215396.02	
Traded Goods	22716.39    161730.54	15427.68    230823.70	
<b>Other Operating Revenue</b>			
Service Charges Received (Refer Note 20.4)	314.00	-	
Insurance Claim Received	29.02	122.86	
Miscellaneous Income	23.61    366.63	54.82    177.68	
	162097.17	231001.38	
Less : Central Excise Duty	5672.13	9312.21	
<b>Total</b>	<b>156425.04</b>	<b>221689.17</b>	

**20.1** Company's Plywood & MDF units located at Pantnagar (Uttarakhand) are exempt from levy of Central Excise Duty. Company's Plywood unit located at Tizit (Nalagand) is entitled to refund of Central Excise Duty paid after availing input credits. The Central Excise Duty debited to Statement of Profit & Loss is net of refund received ₹ 1365.62 lacs (Previous year ₹ 899.40 lacs).

**20.2** Central Excise Duty includes ₹ 2.87 lacs (Previous year ₹ 32.23 lacs) paid on account of differential excise duty for earlier years.

20.3 Particulars of Sale of Products		₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014	
<b>Manufactured Goods</b>			
Decorative Laminates [including exports ₹ Nil (Previous year ₹ 28054.71 lacs), export incentives ₹ Nil (Previous year ₹ 3531.97 lacs) and inter transfers ₹ Nil (Previous year ₹ 827.88 lacs)]	-	74728.09	
Decorative Veneers [including exports ₹ Nil (Previous year ₹ 62.33 lacs), and inter transfers ₹ Nil (Previous year ₹ 10.40 lacs)]	-	10146.12	
Plywood & Allied Products [including exports ₹ 557.72 lacs (Previous year ₹ 246.07 lacs), and inter transfers ₹ 2078.17 lacs (Previous year ₹ 2878.38 lacs)]	97193.73	93594.26	
Medium Density Fibre Board [including exports ₹ 4.94 lacs (Previous year Nil), and inter transfers ₹ 321.32 lacs (Previous year ₹ 358.94 lacs)]	39800.94	35254.93	
Wooden Flooring [including exports ₹ 24.04 lacs (Previous year Nil)]	939.32	-	
Others [including exports ₹ Nil (Previous year ₹ 42.51 lacs), inter transfers ₹ 278.33 lacs (Previous year ₹ 545.83 lacs)]	1080.16	1672.62	
	139014.15	215396.02	

# Notes on Consolidated Financial Statements

for the year ended March 31, 2015

20.3 Particulars of Sale of Products (Contd.)		₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014	
<b>Traded Goods</b>			
Plywood & Allied Products	22716.39	15400.43	
Decorative Laminates	-	17.79	
Medium Density Fibre Board	-	9.46	
	22716.39	15427.68	
<b>Total</b>	<b>161730.54</b>	<b>230823.70</b>	
<b>20.4 Service Charges Received</b>			
Sharing of Infrastructure and Manpower with Demerged Undertaking	314.00	-	

**20.5** Manufactured goods consumed for own use is accounted for at selling price. However, no adjustment for profit element included in such goods was required as the Company neither had the stocks of such transferred goods nor finished goods manufactured by further processing of the same, at year end.

21. OTHER INCOME		₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014	
Interest & Wages Subsidy Received	-	69.82	
Interest Received	78.95	565.62	
Rent Received	0.22	83.87	
Liabilities no longer required written back	24.99	79.86	
Prior Period Income	4.89	3.29	
Dividend from Long Term Investments (Others)	0.02	0.09	
<b>Total</b>	<b>109.07</b>	<b>802.55</b>	

22. COST OF MATERIALS CONSUMED		₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014	
Paper	1164.63	24613.64	
Timber	35310.07	33339.64	
Veneer	15416.48	16861.74	
Chemicals	14952.75	33271.85	
Plywood, Particle Board & MDF	5223.49	8053.61	
Laminates, Doorskin & Cubicals	615.28	515.73	
<b>Total</b>	<b>72682.70</b>	<b>116656.21</b>	
	(%)	(%)	
Imported	34%    24368.52	45%    53051.93	
Indigenous	66%    48314.18	55%    63604.28	
<b>Total</b>	<b>100%    72682.70</b>	<b>100%    116656.21</b>	

**22.1** Cost of Materials Consumed includes cost of materials sold ₹ 613.83 lacs (Previous year ₹ 916 lacs)

# Notes on Consolidated Financial Statements

for the year ended March 31, 2015

## 23. PURCHASE OF STOCK IN TRADE

	For the year ended March 31, 2015	For the year ended March 31, 2014
Plywood	18950.94	13165.06
Decorative Laminates	-	982.00
Medium Density Fibre Board	103.89	88.89
<b>Total</b>	<b>19054.83</b>	<b>14235.95</b>

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

	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>Opening Stock</b>		
Finished Goods	13087.94	10798.63
Stock in Trade	679.62	218.42
Certified Emission Reductions (CER)	8.68	8.68
Goods-in-Process	2174.76 15951.00	2406.70 13432.43
<b>Less: Transferred pursuant to Scheme of Arrangement</b>		
Finished Goods	10367.54	-
Stock in Trade	47.30	-
Certified Emission Reductions (CER)	8.68	-
Goods-in-Process	777.04 11200.56	- -
	4750.44	13432.43
<b>CLOSING STOCK</b>		
Finished Goods	3356.93	13087.94
Stock in Trade	991.56	679.62
Certified Emission Reductions (CER)	0.00	8.68
Goods-in-Process	1229.75 5578.24	2174.76 15951.00
<b>Total</b>	<b>(827.80)</b>	<b>(2518.57)</b>

## 25. EMPLOYEES BENEFITS EXPENSE

	For the year ended March 31, 2015	For the year ended March 31, 2014
Salary, Wages & Bonus	13509.27	20499.00
Contribution to Provident Fund & Employees' State Insurance	717.60	1114.43
Employees' Welfare Expenses	271.01	496.56
<b>Total</b>	<b>14497.88</b>	<b>22109.99</b>

### 25.1 Disclosures Regarding Employee Benefits

**i) Defined Contribution Plan:** Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees’ Provident Fund Organisation established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

# Notes on Consolidated Financial Statements

for the year ended March 31, 2015

**ii) Defined Benefit Plan:** Retirement benefits in the form of Gratuity are considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. As the Company has not funded its liability, it has nothing to disclose regarding plan assets and its reconciliation.

	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>iii) Net Employee Expense/(benefit):</b>		
Current service cost	153.70	176.75
Interest cost on benefit obligation	70.44	103.46
Expected return on plan assets	-	-
Net Actuarial (gains)/losses recognised in the year	105.47	30.73
<b>Total employer expenses</b>	<b>329.61</b>	<b>310.94</b>
<b>iv) Actual return on plan assets</b>	-	-
<b>v) Benefit Asset / (Liability):</b>		
Fair Value of Plan Assets	-	-
Defined benefit obligation	1095.09	1252.84
<b>Benefit Asset / (Liability)</b>	<b>(1095.09)</b>	<b>(1252.84)</b>
<b>vi) Movement in benefit liability:</b>		
Opening defined benefit obligation	1252.84	1046.36
Less: Obligation transferred pursuant to scheme of Arrangement	(360.83)	-
Interest cost on benefit obligation	70.44	103.46
Current service cost	153.70	176.75
Actuarial (gains) / losses	105.47	30.73
Less: Benefits paid	(126.53)	(104.46)
<b>Closing benefit obligation</b>	<b>1095.09</b>	<b>1252.84</b>
<b>vii) Actuarial assumptions:</b>		
Mortality Table	IALM 2006-2008	IALM 2006-2008
Discount Rate (per annum)	8%	8%
Expected rate of return on plan assets (per annum)	-	-
Rate of escalation in salary (per annum)	5%	5%
Withdrawal rates (Varying between per annum depending upon the duration and age of the employees)	1%-8%	1%-8%

**viii)** Amount incurred as expense for defined contribution to Provident Fund is ₹ 635.17 lacs (Previous Year ₹ 864.09 lacs).

The foregoing information relates to the parent company.





# Notes on Consolidated Financial Statements

for the year ended March 31, 2015

ii) The company does not expect any reimbursements in respect of the above contingent liabilities.

iii) Future cash outflows in respect of the above are determinable only on receipt of judgements/decisions pending with various forums/authorities.

### 30.1.2 Others:

a. Letter of credit established but material not received amounting to ₹ 3219.41 lacs (Previous year ₹ 4805.63 lacs).

b. Guarantee given to Banks in respect of loans to its erstwhile wholly-owned subsidiary USD Nil (Previous Year USD 80,00,000) and SGD 2,51,36,000 (Previous Year SGD 22,36,000) equivalent to ₹ 11496.90 lacs (Previous Year ₹ 5855.19 lacs), translated at year-end exchange rate. It is under process to transfer to the Resulting Company pursuant to the Scheme of Arrangement.

c. 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 ₹ 9569.91 lacs (previous year ₹ 15740.03 lacs), which is required to be met at different dates, before 10.04.2019 (previous year 20.02.2020). In the event of non-fulfillment of the export obligation, the Company will be liable to pay customs duties of approximately ₹ 1197.60 lacs (Previous Year ₹ 2225.95 lacs) together with interest, as applicable. The Company has discharged export obligation amounting to ₹ Nil during the year ended March 31 2015.

### 30.2 Commitments

a. Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) ₹ 308.44 lacs (Previous year ₹ 3389.08 lacs)

b. Uncalled liability on shares and other investments which are partly paid ₹ NIL (Previous year ₹ NIL)

c. Other commitments ₹ NIL (Previous year ₹ NIL)

d. Greenply Trading Pte Ltd has US\$ 6.4 Mn equivalent to ₹ 3999.84 lacs (Previous year ₹ NIL) of commitments to provide funding if called, related to its investment in Joint Venture viz. Greenply Alkernal (Singapore) Pte Ltd.

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

### 32. SCHEME OF ARRANGEMENT

**32.1** Pursuant to the Scheme of Arrangement (“the scheme”) between Greenlam Industries Ltd. (Greenlam), the Company and their respective shareholders and creditors as approved by the High Court of Gauhati vide its order dated October 31, 2014, which became effective on November 17, 2014 on filing with the Registrar of Companies, all the assets and liabilities of the Decorative Business (i.e. business and interests in manufacture of laminates and decorative veneers) of the company have been transferred to and vested in Greenlam at their respective book values on a going concern basis with effect from the appointed date (i.e. April 1, 2013). Accordingly, the Scheme of Arrangement has been given effect to in these accounts.

# Notes on Consolidated Financial Statements

for the year ended March 31, 2015

### 32.2 Pursuant to the Scheme :

**32.2.1** The whole of the assets and liabilities of the Demerged undertaking of the Company became the assets and liabilities of Greenlam and were transferred at their book values as appearing in the books of the Company with effect from the appointed date (i.e. April 1, 2013). The details of assets and liabilities transferred to Greenlam are as under:

		₹ in Lacs
<b>ASSETS :</b>		
<b>Non-current Assets</b>		
<b>Fixed Assets :</b>		
Tangible Assets	18176.62	
Intangible Assets	408.49	
Capital Work-in-Progress	619.14	
	19204.25	
<b>Non-current Investments</b>	-	
<b>Long Term Loans &amp; Advances</b>	1272.05	
<b>Other Non-current Assets</b>	407.77	
		20884.07
<b>Current Assets</b>		
Inventories	19043.73	
Trade Receivables	12940.34	
Cash & Bank Balances	312.41	
Short Term Loans & Advances	5913.90	
		38210.38
<b>Total</b>		<b>59094.45</b>
<b>LIABILITIES :</b>		
<b>Non-current Liabilities :</b>		
Long-Term Borrowings	4534.00	
Deferred Tax Liabilities (Net)	668.13	
Other Long Term Liabilities	65.73	
Long-Term Provisions	546.17	
		5814.03
<b>Current Liabilities</b>		
Short-Term Borrowings	20348.31	
Trade Payables	11617.72	
Other Current Liabilities	5054.99	
Short-Term Provisions	33.22	
		37054.24
Minority Interest		3.92
<b>Total</b>		<b>42872.19</b>

**32.2.2** Pursuant to the scheme, the difference between the book value of the assets and liabilities transferred to Greenlam has been debited to the following Reserves of the Company :

	₹ in Lacs
Capital Redemption Reserve	500.00
Capital Reserve	80.00
Securities Premium Account	11625.92
General Reserve	4016.34
<b>Total</b>	<b>16222.26</b>

## Notes on Consolidated Financial Statements

for the year ended March 31, 2015

**32.2.3** Greenlam to issue and allot equity shares to the shareholders of the Company whose names appear in the register of members of the Company as on the record date, 1 (one) equity share of ₹ 5 (Indian Rupees five only) each in Greenlam credited as fully paid up for every 1 (one) equity share of ₹ 5 (Indian Rupees five only) each held by them in the Company. Consequent to the allotment of new shares as per the scheme, Current Investment of the Company of ₹ 5 lacs has been cancelled and Greenlam has ceased to be subsidiary of the Company.

**32.2.4** The net profit of Demerged Decorative Business of the Company for the period from the appointed date i.e. April 1, 2013 to March 31, 2014, ₹ 4035.35 lacs, is adjusted in Surplus, i.e. balance in the Statement of Profit and Loss.

**32.2.5** The transactions pertaining to the Decorative Business of the Company from the appointed date upto the effective date of the scheme of arrangement have been deemed to be made by Greenlam.

**32.2.6** All costs, charges and expenses including stamp duties arising out of or incurred so far in carrying out and implementing this Scheme and matters incidental thereto, have been borne by the Company and Greenlam in the ratio of 2:1.

**32.2.7** As per the Scheme of Arrangement approved by the Hon'ble Gauhati High Court, the immovable assets of the Company stands freed from all charges, mortgages and encumbrances relating to liabilities relating to Decorative Business which stands transferred to Greenlam. But, the Company had created charges over its immovable assets (including those which now belong to Greenlam) under section 125 of the Companies Act, 1956 in respect of certain credit facilities taken from various banks for itself and for various undertakings of Greenlam. As the legal ownership of the immovable assets of Greenlam have not yet been transferred to them, the Company continues to enjoy credit facilities by the subsisting charges, mortgages and encumbrances over such assets. *Vice-versa*, Greenlam enjoys credit facilities by the subsisting charges, mortgages and encumbrances over immovable assets retained by the Company. Till creation/modification/satisfaction of Charges, as the case may be, in favour of the various banks/secured creditors of the respective Companies in terms of the applicable provisions of the Companies Act, 2013, the banks/secured creditors of the Company shall continue to hold their respective charge over the immovable assets of Greenlam.

## Notes on Consolidated Financial Statements

for the year ended March 31, 2015

### 33. DISCONTINUED OPERATIONS

The following statement shows the revenue and expenses of discontinued operations i.e. Decorative division of the company which has been demerged w.e.f. April 1, 2013.

	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>Income:</b>		
Sale of Products	-	86119.72
Other Operating Revenue	-	108.43
	-	86228.15
Less : Central Excise Duty	-	3610.80
Revenue from Operations	-	82617.35
Other Income	-	404.62
<b>Total Revenue</b>	-	<b>83021.97</b>
<b>Expenditure:</b>		
Cost of Materials Consumed	-	45730.98
Purchase of finished/traded goods	-	1292.27
Changes in Inventories of Finished Goods, Stock in Process and Stock in Trade	-	(1604.55)
Employees Benefits Expense	-	10169.83
Finance Costs	-	2252.15
Depreciation & Amortization Expense	-	2369.50
Other Expenses	-	16950.60
Loss due to Fluctuation in Foreign Exchange Rates	-	813.49
Impairment Loss recognised on goodwill	-	124.93
<b>Total Expenditure</b>	-	<b>78099.20</b>
<b>Profit before Tax</b>	-	<b>4922.77</b>
<b>Tax Expense</b>		
Current Tax	-	974.87
Add/ (Less) : Mat Credit Entitlement	-	(28.25)
	-	946.62
Deferred Tax	-	(59.75)
Minority Interest	-	0.55
<b>Profit for the Year</b>	-	<b>4035.35</b>

The carrying amounts of the total assets and liabilities of the Decorative division of the company are as follows :

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
Total Assets	-	74661.30
Total Liabilities	-	45864.63
<b>Net Assets</b>	-	<b>28796.67</b>

The net cash flow attributable to the Decorative division of the company is as below :

	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Operating Activities	-	3259.00
Investing Activities	-	(9574.96)
Financing Activities	-	6323.94
<b>Net cash inflow / outflows</b>	-	<b>7.98</b>

# Notes on Consolidated Financial Statements

for the year ended March 31, 2015

## 34. SEGMENT REPORTING (UNDER ACCOUNTING STANDARD AS - 17)

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 March 31, 2015

### Information about Business Segments - Primary

₹ in Lacs

Reportable Segment	Continuing Operations				Discontinued Operations		Continuing Operations		Total	
	Plywood & Allied Products		Medium Density Fibre Board & Allied Products		Laminate & Allied Products		Un Allocated			
	For The Year Ended		For The Year Ended		For The Year Ended		For The Year Ended		For The Year Ended	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014
<b>Revenue</b>										
External Sales	118589.92	106527.98	40462.81	34906.77	-	84767.52	-	-	159052.73	226202.27
Inter-segment Sales	2289.20	2903.87	388.61	365.36	-	1352.20	-	-	2677.81	4621.43
Gross Sales	120879.12	109431.85	40851.42	35272.13	-	86119.72	-	-	161730.54	230823.70
Less : Excise Duty	5672.13	5701.41	-	-	-	3610.80	-	-	5672.13	9312.21
Net Sales	115206.99	103730.44	40851.42	35272.13	-	82508.92	-	-	156058.41	221511.49
Other Operating Income	25.69	48.50	26.94	30.97	-	98.21	314.00	-	366.63	177.68
Revenue from Operation	115232.68	103778.94	40878.36	35303.10	-	82607.13	314.00	-	156425.04	221689.17
Share of Profit from Joint Venture	249.16	-	-	-	-	-	-	-	249.16	-
Total Revenue	115481.84	103778.94	40878.36	35303.10	-	82607.13	314.00	-	156674.20	221689.17
<b>RESULT</b>										
Segment Result	10460.45	9401.73	8388.26	6345.12	-	8013.43	314.00	-	19162.71	23760.28
Unallocated Expenses net of Unallocable Income							1530.55	3025.19	1530.55	3025.19
Operating Profit									17632.16	20735.09
Less : Interest Expense							3591.30	6017.22	3591.30	6017.22
Add : Interest Income							78.95	565.62	78.95	565.62
Profit before Tax									14119.81	15283.49
Current Tax									1976.97	2616.00
Deferred Tax									(278.01)	845.60
Income Tax for earlier years									(2.09)	64.10
Profit after Tax									12422.94	11757.79
<b>Other Information</b>										
Segment Assets	67890.32	62758.34	38730.31	40120.35	-	74661.30	8055.73	3667.96	114676.36	181207.95
Segment Liabilities	19697.54	19044.96	6955.36	5728.81	-	17067.62	2251.21	2039.57	28904.11	43880.96
Loan Fund							33153.26	74835.61	33153.26	74835.61
Deferred Tax Liabilities (Net)							4030.33	4916.71	4030.33	4916.71
Minority Interest							-	4.81	-	4.81
Shareholders' Funds							48588.66	57569.86	48588.66	57569.86
Total Liabilities									114676.36	181207.95
Capital Expenditure	5378.21	4729.95	665.18	4915.80	-	9623.98	3297.80	275.16	9341.19	19544.89
Depreciation	2424.77	1642.82	1904.52	1756.05	-	2262.97	376.82	295.38	4706.11	5957.22

### Secondary Segment - Geographical by location of customers

₹ in Lacs

	Revenue		Carrying Amount of Segment Assets		Additions to Fixed Assets	
	For the year ended		For the year ended		For the year ended	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Within India	155471.70	187396.44	114271.19	165677.43	9341.19	17242.45
Outside India	586.71	34115.05	405.17	15530.52	-	2302.44
Total	156058.41	221511.49	114676.36	181207.95	9341.19	19544.89

# Notes on Consolidated Financial Statements

for the year ended March 31, 2015

Notes:

### a) Business Segments :

A description of the types of products and services provided by each reportable segment is as follows:

**Plywood & Allied Products:** The Segment is engaged in the business of manufacturing and trading of Plywood, block boards, veneer, doors and other wood panel products through its wholesale and retail network.

**Laminate & Allied Products:** The Segment is engaged in the business of manufacturing of Laminates, decorative veneers, compact laminates and other allied products through its wholesale and retail network.

**Medium Density Fibre Boards & Allied Products:** The Segment is engaged in the business of manufacturing of Medium Density Fibre Boards and other allied products through its wholesale and retail network.

### b) 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 share capital, reserves and surplus, borrowings, proposed dividend and income tax (both current and deferred).

### c) 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 income, interest expense, other expenses which cannot be allocated on a reasonable basis and provision for income tax (both current and deferred). 'Unallocated Expenses net of Unallocable Income' include Corporate Expenses which cannot be allocated on a reasonable basis and exceptional items.

## 35. RELATED PARTY DISCLOSURES AS PER ACCOUNTING STANDARD AS - 18

### 35.1 List of related parties and relationship:

#### a) Related parties where control exists

##### Subsidiary Companies

- i) Greenply Industries (Myanmar) Pvt Ltd

##### Company in which a Subsidiary is a Joint Venture Partner

- i) Greenply Alkema (Singapore) Pte Ltd (Investment through Subsidiary Greenply Trading Pte Ltd w.e.f. 14.05.2014)

#### b) Related parties with whom transactions have taken place during the year.

##### Key Management Personnel / Director

- i) Mr. Shiv Prakash Mittal, Executive Chairman  
ii) Mr. Rajesh Mittal, Managing Director  
iii) Mr. Shobhan Mittal, Joint Managing Director & CEO w.e.f. 05.02.2015 (Executive Director upto 04.02.2015)  
iv) Mr. Saurabh Mittal, Joint Managing Director & CEO (upto 10.11.2014)  
v) Mr. Susil Kumar Pal, Independent Director  
vi) Mr. Vinod Kumar Kothari, Independent Director  
vii) Mr. Anupam Kumar Mukerji, Independent Director  
viii) Mr. Upendra Nath Challu, Independent Director  
ix) Ms. Sonali Bhagwati Dalal, Independent Director  
x) Mr. Moina Yometh Konyak, Non-Executive Director  
xi) Mr. V. Venkatramani, Chief Financial Officer  
xii) Mr. Kaushal Kumar Agarwal, Company Secretary



# Notes on Consolidated Financial Statements

for the year ended March 31, 2015

## 35. RELATED PARTY DISCLOSURES AS PER ACCOUNTING STANDARD AS - 18 (CONTD.)

Enterprises Owned/Influenced by Key Management Personnel or their relatives

- i) Himalaya Granites Ltd.
- ii) Prime Holdings Pvt Ltd.
- iii) S.M.Management Pvt Ltd.
- iv) Prime Properties Pvt Ltd.
- v) Trade Combines
- vi) Greenlam Industries Ltd.
- vii) Greenlam Asia Pacific Pte. Ltd.
- viii) R S Homcon Ltd.

Relatives of Key Management Personnel

- i) Mrs. Parul Mittal (Wife of Mr. Saurabh Mittal)
- ii) Mrs. Chitwan Mittal (Wife of Mr. Shobhan Mittal)
- iii) Mrs. Surbhi Poddar (Daughter of Mr. Rajesh Mittal)
- iv) Mr. Sanidhya Mittal (Son of Mr. Rajesh Mittal)

## 35.2 Transactions during the year:

₹ in Lacs

Particulars	Subsidiaries		Joint Venture Companies		Key Management Personnel / Director		Enterprises Owned/ Influenced by Key Management Personnel or their relatives		Relatives of Key Management Personnel	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
<b>Sale of Products</b>										
Greenlam Industries Ltd	-	-	-	-	-	-	178.30	-	-	-
<b>Total</b>	-	-	-	-	-	-	178.30	-	-	-
<b>Received towards Services rendered</b>										
Greenlam Industries Ltd	-	-	-	-	-	-	314.00	-	-	-
<b>Total</b>	-	-	-	-	-	-	314.00	-	-	-
<b>Rent Received</b>										
Greenlam Industries Ltd	-	-	-	-	-	-	0.22	-	-	-
<b>Total</b>	-	-	-	-	-	-	0.22	-	-	-
<b>Interest Received on Loan Given</b>										
Greenlam Industries Ltd	-	-	-	-	-	-	0.17	-	-	-
<b>Total</b>	-	-	-	-	-	-	0.17	-	-	-
<b>Purchase of Products</b>										
Greenlam Industries Ltd	-	-	-	-	-	-	319.61	-	-	-
Greenply Alkema! (Singapore) Pte Ltd	-	-	2139.89	-	-	-	-	-	-	-
<b>Total</b>	-	-	2139.89	-	-	-	319.61	-	-	-
<b>Payment towards Services received</b>										
Himalaya Granites Ltd.	-	-	-	-	-	-	-	42.70	-	-
Prime Holdings Pvt Ltd.	-	-	-	-	-	-	32.34	31.68	-	-
Prime Properties Pvt Ltd.	-	-	-	-	-	-	-	30.00	-	-
S.M.Management Pvt Ltd.	-	-	-	-	-	-	20.58	20.16	-	-
Trade Combines	-	-	-	-	-	-	2.94	2.88	-	-
R S Homcon Ltd.	-	-	-	-	-	-	2.68	-	-	-
<b>Total</b>	-	-	-	-	-	-	58.54	127.42	-	-

# Notes on Consolidated Financial Statements

for the year ended March 31, 2015

## 35.2 Transactions during the year: (Contd.)

₹ in Lacs

Particulars	Subsidiaries		Joint Venture Companies		Key Management Personnel / Director		Enterprises Owned/ Influenced by Key Management Personnel or their relatives		Relatives of Key Management Personnel	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
<b>Remuneration Paid</b>										
Shri Shiv Prakash Mittal	-	-	-	-	399.07	339.93	-	-	-	-
Shri Rajesh Mittal	-	-	-	-	390.04	330.81	-	-	-	-
Shri Shobhan Mittal	-	-	-	-	348.54	337.77	-	-	-	-
Shri Saurabh Mittal	-	-	-	-	-	327.21	-	-	-	-
Mr. Susil Kumar Pal	-	-	-	-	13.60	-	-	-	-	-
Mr. Vinod Kumar Kothari	-	-	-	-	12.98	-	-	-	-	-
Mr. Anupam Kumar Mukerji	-	-	-	-	13.48	-	-	-	-	-
Mr. Upendra Nath Challu	-	-	-	-	12.92	-	-	-	-	-
Ms. Sonali Bhagwati Dalal	-	-	-	-	11.40	-	-	-	-	-
Mr. Moina Yometh Konyak	-	-	-	-	11.40	-	-	-	-	-
Mr. V. Venkatramani	-	-	-	-	76.01	-	-	-	-	-
Mr. Kaushal Kumar Agarwal	-	-	-	-	38.06	-	-	-	-	-
Mrs. Parul Mittal	-	-	-	-	-	-	-	-	-	29.90
Mrs. Chitwan Mittal	-	-	-	-	-	-	-	-	14.21	14.89
Mrs. Surbhi Poddar	-	-	-	-	-	-	-	-	11.37	5.68
Mr. Sanidhya Mittal	-	-	-	-	-	-	-	-	6.96	-
<b>Total</b>	-	-	-	-	1327.50	1335.72	-	-	32.54	50.47
<b>Finance (Equity Contribution)</b>										
Greenply Industries (Myanmar) Pvt. Ltd.	505.34	-	-	-	-	-	-	-	-	-
<b>Total</b>	505.34	-	-	-	-	-	-	-	-	-
<b>Loan Taken and Repaid</b>										
S.M.Management Pvt Ltd.	-	-	-	-	-	-	-	1000.00	-	-
<b>Total</b>	-	-	-	-	-	-	-	1000.00	-	-
<b>Loan Given and Received</b>										
Greenlam Industries Ltd.	-	-	-	-	-	-	25.00	-	-	-
<b>Total</b>	-	-	-	-	-	-	25.00	-	-	-
<b>Guarantee Given</b>										
Greenlam Asia Pacific Pte. Ltd.	11496.90	-	-	-	-	-	-	-	-	-
<b>Total</b>	11496.90	-	-	-	-	-	-	-	-	-
<b>Amount outstanding as at Balance Sheet date:</b>										
<b>Trade Payable</b>										
Greenply Alkema! (Singapore) Pte Ltd	-	-	259.03	-	-	-	-	-	-	-
<b>Total</b>	-	-	259.03	-	-	-	-	-	-	-
<b>Remuneration Payable</b>										
Shri Shiv Prakash Mittal	-	-	-	-	-	-	208.18	149.37	-	-
Shri Rajesh Mittal	-	-	-	-	-	-	208.18	149.37	-	-
Shri Shobhan Mittal	-	-	-	-	-	-	208.18	149.37	-	-
Shri Saurabh Mittal	-	-	-	-	-	-	-	149.37	-	-
Mrs. Parul Mittal	-	-	-	-	-	-	-	-	-	2.54
<b>Total</b>	-	-	-	-	-	-	624.54	597.48	-	2.54

**Notes :** Related Party Relationship is as identified by the Company and relied upon by the Auditors.

# Notes on Consolidated Financial Statements

for the year ended March 31, 2015

## 36. FLUCTUATION IN LONG TERM FOREIGN CURRENCY MONETARY ITEMS

The Company has exercised the option available to it under Rule 46A of the Companies (Accounting Standards) (Second Amendment) Rules, 2011 in respect of accounting for fluctuations in foreign exchange relating to “Long Term Foreign Currency Monetary Items”. Accordingly, it has adjusted a gain of ₹ 746.10 lacs (Previous year loss of ₹ 1885.52 lacs) during the period to the cost of its fixed assets on account of such difference arising during the current period and has provided for depreciation thereon over the balance useful life of the respective assets. Consequently, the charge to the Statement of Profit and Loss is effected to that extent.

## 37. DEPRECIATION

In accordance with the provisions of the Companies Act 2013, effective from April 1, 2014, the Company has reassessed the remaining useful lives of its fixed assets prescribed by Schedule II to the Act or actual useful life of assets, whichever is lower. In case of any asset whose life has completed as above, the carrying value, net of residual value of ₹ 966.18 lacs, as at April 1, 2014 has been adjusted to the Surplus in the Statement of Profit & Loss and in other cases

## 40. 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 March 31, 2015 are summarized below:

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
Amount due within one year	65.65	237.70
Amount due between one year and five years	193.30	535.15
Amount due above five years	-	-
<b>Total</b>	<b>258.95</b>	<b>772.85</b>

the carrying value has been depreciated over the remaining of the revised life of the assets and recognized in the Statement of Profit and Loss.

38. The current year’s figures are not comparable with the figures of the previous year for following reasons:

a) The figures stated in the previous year are inclusive of figures of the Subsidiary viz. Greenply Industries (Myanmar) Pvt. Ltd. which has not been considered for Consolidation in the current year since the control over the same is intended to be temporary and held exclusively with a view to its subsequent disposal in the near future.

b) The figures stated in the previous year are inclusive of figures of Decorative Business of the Company which have been demerged with effect from the appointed date (i.e. April 1, 2013), the accounting effect of which has been given in current year.

39. The figures for the previous period are re-classified/ re-arranged / re -grouped, wherever necessary so as to be in conformity with the figures of the current period’s classification/ disclosure.

# Notes on Consolidated Financial Statements

for the year ended March 31, 2015

## 41. EARNINGS PER SHARE

	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>Calculation of weighted average number of equity shares of ₹ 5 each:</b>		
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 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	12422.94	11757.24
<b>Basic Earnings Per Share ₹</b>	<b>51.47</b>	<b>48.71</b>
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 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	12422.94	11757.24
<b>Diluted Earnings Per Share ₹</b>	<b>51.47</b>	<b>48.71</b>

## 42. DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE, WHICH ARE NOT INTENEDED FOR TRADING OR SPECULATION PURPOSE

### 42.1 Forward Contract outstanding as at balance sheet date :

	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
Purchase (Hedging of Buyers Credit)	9405.52	11232.19
Purchase (Hedging of Trade Payables)	1218.09	2835.40

### 42.2 Interest Rate Swap

Notional amount USD Nil ₹ Nil (Previous year USD 60 Lacs ₹ 3593.40 Lacs)	Hedge against exposure to variable interest outflow on loans. Swap to pay fixed interest @ 2.12 % p.a. (in USD) and receive a variable interest @ 3 month USD-LIBOR on outstanding notional amount.
Notional amount USD 40.20 Lacs ₹ 2512.40 Lacs (Previous year USD 53.40 Lacs ₹ 3198.13 Lacs)	Hedge against exposure to variable interest outflow on loans. Swap to pay fixed interest @ 1.09 % p.a. (in USD) and receive a variable interest @ 3 month USD-LIBOR on outstanding notional amount.
Notional amount EURO 58.94 Lacs ₹ 3974.16 Lacs (Previous year EURO 68.77 Lacs ₹ 5672.87 Lacs)	Hedge against exposure to variable interest outflow on loans. Swap to pay fixed interest @ 1.06 % p.a. (in EURO) and receive a variable interest @ 6 month EURIBOR on outstanding notional amount.

## Notes on Consolidated Financial Statements

for the year ended March 31, 2015

#### 42.3 Particulars of Unhedged Foreign Currency Exposures as at balance sheet date :

		₹ in Lacs
Particulars	As at March 31, 2015	As at March 31, 2014
Foreign Currency Term Loans	6486.56	16402.10
Deferred Payment Liabilities	-	45.94
Buyers Credit	-	2888.70
Trade Payables	959.01	5670.35
Advance to Vendors	371.46	3823.95
Trade Receivables	59.19	8634.44
Advance from Customers	-	33.64

### 43. INFORMATION REGARDING MICRO, SMALL AND MEDIUM ENTERPRISES

As at March 31, 2015, 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.

As per our annexed report of even date.

For **D. DHANDARIA & COMPANY**

Chartered Accountants  
ICAI Firm Reg. No. 306147E

(Dindayal Dhandaria)

Partner  
Membership No. 010928

Place of Signature : Kolkata

Dated : May 25, 2015

Shiv Prakash Mittal

Executive Chairman  
(DIN: 00237242)

Susil Kumar Pal

Director  
(DIN: 00268527)

V. Venkatramani

Chief Financial Officer

Rajesh Mittal

Managing Director  
(DIN: 00240900)

Shobhan Mittal

Joint Managing Director & CEO  
(DIN: 00347517)

K. K. Agarwal

Company Secretary

## Notes

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## Notes

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## Corporate Information

## BOARD OF DIRECTORS

Mr. Shiv Prakash Mittal, Executive Chairman  
Mr. Rajesh Mittal, Managing Director  
Mr. Shobhan Mittal, Joint Managing Director & CEO  
Mr. Moina Yometh Konyak

Mr. Susil Kumar Pal  
Mr. Vinod Kumar Kothari  
Mr. Anupam Kumar Mukerji  
Ms. Sonali Bhagwati Dalal  
Mr. Upendra Nath Challu

## AUDIT COMMITTEE

Mr. Susil Kumar Pal, Chairman  
Mr. Vinod Kumar Kothari  
Mr. Anupam Kumar Mukerji  
Mr. Upendra Nath Challu  
Mr. Rajesh Mittal  
Mr. Shobhan Mittal

## BANKERS/FINANCIAL INSTITUTIONS

Axis Bank Ltd.  
HDFC Bank Ltd.  
ICICI Bank Ltd.  
IDBI Bank Ltd.  
Landesbank Baden-Wurttemberg  
State Bank of Hyderabad  
State Bank of India

## STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Anupam Kumar Mukerji, Chairman  
Mr. Susil Kumar Pal  
Mr. Rajesh Mittal  
Mr. Shobhan Mittal

**REGISTERED OFFICE**

Makum Road, P.O. Tinsukia,  
Assam - 786 125  
CIN: L20211AS1990PLC003484

## NOMINATION & REMUNERATION COMMITTEE

Mr. Susil Kumar Pal, Chairman  
Mr. Anupam Kumar Mukerji  
Mr. Vinod Kumar Kothari  
Mr. Shiv Prakash Mittal

## STATUTORY AUDITORS

M/s. D. Dhandaria & Company  
Thana Road, P.O. Tinsukia, Assam -786125

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Vinod Kumar Kothari  
Mr. Upendra Nath Challu  
Mr. Rajesh Mittal  
Mr. Shobhan Mittal

## REGISTRAR & SHARE TRANSFER AGENT

M/s. S. K. Infosolutions Pvt. Ltd.  
34/1A, Sudhir Chatterjee Street  
Kolkata – 700 006  
Phone: (033)-2219-4815/6797  
Fax: (033)-2219-4815

**CORPORATE OFFICE**

**"Madgul Lounge"**  
23 Chetla Central Road  
5th & 6th Floor  
Kolkata - 700 027, India  
Phone: (033)-3051-5000  
Fax: (033)-3051-5010  
Email: [kolkata@greenply.com](mailto:kolkata@greenply.com)  
Website: [www.greenply.com](http://www.greenply.com)

## UNITS

### Plywood and allied products

- Tizit, Nagaland
- Kriparampur, West Bengal
- Bamanbore, Gujarat

### Plywood and reconstituted veneers

- Pantnagar, Uttarakhand

## Medium density fibreboard & Laminated Flooring

- Pantnagar, Uttarakhand

## DEMERGER COMMITTEE

Mr. Shiv Prakash Mittal  
Mr. Vinod Kumar Kothari  
Mr. Susil Kumar Pal

## OPERATIONAL COMMITTEE

Mr. Shiv Prakash Mittal  
Mr. Rajesh Mittal  
Mr. Susil Kumar Pal  
Mr. Shobhan Mittal

## CHIEF FINANCIAL OFFICER

Mr. Vishwanathan Venkatramani

**COMPANY SECRETARY & VICE  
PRESIDENT-LEGAL**

Mr. Kaushal Kumar Agarwal

CIN: L20211AS1990PLC003484  
BSE: 526797  
NSE: GREENPLY



[www.greenply.com](http://www.greenply.com)