



Greenply/2019-20
September 5, 2019

The Manager

BSE Limited
Department of Corporate Services
Floor 25, P. J. Towers, Dalal Street
Mumbai - 400 001
Security Code: 526797

The Manager

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E)
Mumbai - 400 051
Symbol - GREENPLY

Dear Sir/Madam

Sub: Submission of Annual Report for the Financial Year 2018-19

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are forwarding herewith a copy of Annual Report of the Company for the financial year 2018-19.

The aforesaid Annual Report has also been placed on the website of the Company viz. www.greenply.com/investors.

Thanking you,

Yours faithfully,
For **Greenply Industries Limited**

Kaushal Kumar Agarwal
Company Secretary &
Vice president-legal

Encl.: A/a

Greenply Industries Limited

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GREENPLY INDUSTRIES LIMITED
Annual Report 2018-19

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Forward-looking statement

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

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is 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.

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

Some questions

Why does a home maker, when shown a variety of plywood brands, usually interrupt with 'Yeh sub nahin....mujhe Greenply dikhaiyye.'

Why does an interior designer, with access to cheaper brands, usually scribble 'Greenply' when recommending a safe and enduring solution?

Why does the usual consumer, when asked to name two of the most recalled interior infrastructure brands, usually start with 'Greenply'.

The brand reflects Quality & Service.

Strengthening the Greenply Brand



The recalls of Brand Greenply

'Jab bhi maango milega
– always available.'

'Bharose wala brand
– always trusted.'

'Superior price-value
proposition.'

'Provides a peace of
mind.
Lagao aur bhool jao.'

'Jahaan dekho wahaan
Greenply ke dealer ki
dukaan hai
– always accessible.'

'Whenever something
new is introduced in
the business, it usually
comes from Greenply.'

'Good trustable people
to work with across the
long-term.'



IN THE BUSINESS OF BRANDED INTERIOR INFRASTRUCTURE PRODUCTS, THE BIGGEST SUCCESS DRIVER IS VISIBILITY. THE MORE VISIBLE A BRAND IS, THE STRONGER THE RECALL AT THE TIME OF PURCHASE AND THE GREATER THE LIKELIHOOD OF INTENT TRANSLATING INTO CONSUMPTION.

AT GREENPLY, WE HAVE CONSISTENTLY INVESTED IN ENHANCING OUR 360° VISIBILITY. THESE INITIATIVES HAVE COMPRISED EXERCISES COVERING CONVENTIONAL MARKETING CHANNELS AS WELL AS EMERGING PLATFORMS (DIGITAL MEDIA, AMONG OTHERS). THESE HAVE HELPED ENHANCE THE 'JAHAA DEKHO WAHAA GREENPLY' APPRECIATION, TRANSLATING INTO PREFERRED OFFTAKE.

Locations and formats where we have enhanced Greenply's visibility

■ **Last mile marketing:** Greenply has enhanced retail visibility and penetration coupled with promotional exercises inside retail stores (using vinyl and One Way Vision formats, among others).

The brand was also promoted at strategic locations like street hoardings and street light glow signage's across Kolkata cities.

We also promoted the brand at Kolkata airport through signage's with the objective of enhancing recall across affluent prospective customers.

■ **Brand management:** The overall brand imagery was driven through digital campaign distributed throughout the year. Some of the notable digital & social media promotions were as below.

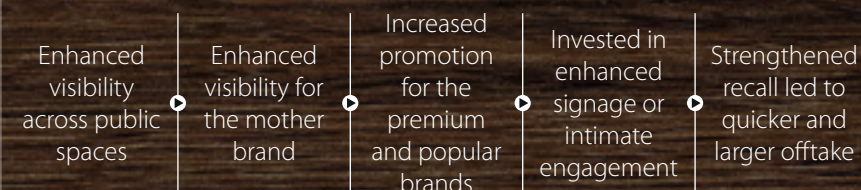
■ **Social and electronic media:** In 2018-19 we created multiple social campaigns with a focus on community benefit. on the eve of Independence Day, we paid tribute to the farmer community through the #AsliAzadi initiative with the commitment to provide them support socio-economically. During Durga Puja, we came up with the idea of a simple ramp made of plywood that will make the puja pandals a more accessible, for handicapped to view the pujas and making pandals wheelchair friendly. On Women's Day, with the larger goal of ensuring inclusion of women workforce

in carpentry, Greenply identified the first team of women carpenters in India. In an endeavour to encourage carpentry work among women in a domain which is dominated by male artisans, we collaborated with Archana Women's Centre - an NGO based in Kerala that empowers women through training and employment in various fields, carpentry being one among them.

■ **Events:** Greenply became the Official Partner of Kolkata Knight Riders during the 2019 IPL, enhancing visibility across millions. On social media, we saw a sharp rise in engagement and impressions with a growth rate of more than 100%.

Asia Cup 2018 was one of the most watched cricket tournaments in the recent past and Greenply's presence via the in-stadium branding was highly noteworthy.

How we enhanced customer value



Recall "I was pleasantly surprised to see the Greenply vinyl display at the Kolkata airport. The promotion centred around women carpenters. I did a double-take. Women carpenters? Do they really exist? In just three seconds, Greenply created a recall that has endured over months."

- Avinash Saxena, Business traveller



IN THE BUSINESS OF INTERIOR INFRASTRUCTURE PRODUCTS, ONE OF THE MOST EFFECTIVE SUCCESS DRIVERS IS PRODUCT AVAILABILITY. WHEN A CUSTOMER FINDS A PRODUCT NOT AVAILABLE, SHE IS LIKELY TO SEEK ALTERNATIVE BRANDS RATHER THAN VISIT THE SHOP LATER.

ACROSS THE YEARS, GREENPLY BUILT ITS BUSINESS AROUND THE CONCEPT OF 'SPOIL FOR CHOICE' THROUGH A WIDENING DISTRIBUTION NETWORK ON THE ONE HAND AND ENHANCED PRODUCT AVAILABILITY ON THE OTHER.

How we ensured an anytime product availability

■ Greenply established a marketing network across 25 States comprising 25 branch offices and more than 7800 (distributors, dealers and retailers), which virtually covered the entire Indian geographic footprint.

■ The Company made forward-looking investments in strategically located manufacturing plants – one each in Eastern India, Northeastern India and

Western India – making it possible to reach products and replenish sales with speed, enhancing product availability and working capital efficiency (of trade partners).

■ The Company invested in an extensive network of 1870 dealers and 6000 retail points covering 300 cities and towns, strengthening the confidence that the Company's products are available virtually anywhere in the country.

How we enhanced customer value



Recall “We generally advise our clients to wait as much as possible before buying the plywood and other interior products needed when refurbishing homes. This saves space and money. The confidence to wait right to the end comes from the assurance that Greenply's products will always be available whenever we want. It is something that one has now begun to take for granted.” – Aditi Raje, Interior designer

availability



IN THE BUSINESS OF INTERIOR INFRASTRUCTURE PRODUCTS, WHERE A SIZABLE INVESTMENT NEEDS TO BE MADE IN PRODUCTS WHOSE EFFICACY WILL ONLY BE VALIDATED ACROSS THE FORESEEABLE FUTURE, THERE IS A PREMIUM ON TRUST. THE BUYER MUST BE ABSOLUTELY SURE THAT THE PRODUCTS INTENDED FOR PURCHASE WILL BE UNQUESTIONABLY RIGHT; THE BRAND MUST EVOKE THE TRUST THAT THE PRODUCT WILL EXCEED EXPECTATIONS.

OVER THE DECADES, GREENPLY HAS BECOME SYNONYMOUS WITH PLYWOOD IN INDIA. THIS GENERIC NAME STATUS HAS BEEN ACHIEVED ON ACCOUNT OF GREENPLY'S CONSISTENT TRANSACTION EASE, SUPERIOR PRODUCT QUALITY AND AFTER-SALES RESPONSIVENESS WHENEVER THE CUSTOMER NEEDS SUPPORT.

THIS UNQUESTIONED TRUST IN GREENPLY'S PRODUCTS HAS BEEN DERIVED FROM A CONSISTENT COMMITMENT TO RIGOROUS QUALITY CONTROL ACROSS THE ENTIRE PRE-SALE PRODUCT LIFECYCLE.

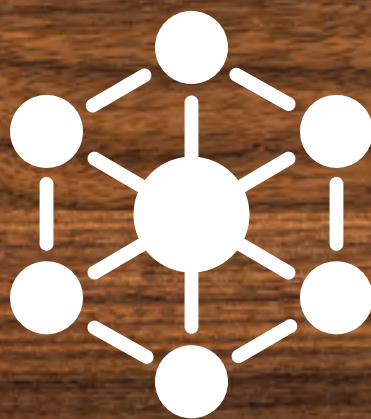
How we enhanced trust

- Greenply sources veneer from Gabon in Africa, reputed for the abundant availability of Okoume trees that produce among the best timber varieties for the manufacture of quality plywood.
- The Company focuses on sustainable forestry, enhancing quality raw material availability (through quality seeds) on the one hand and providing farmers with sustainable livelihoods on the other.

- The Company deploys Quality Assurance teams at outsourcing locations, helping monitor the quality of inputs and finished products.
- The Company invested in cutting-edge manufacturing technologies marked by a high degree of automation leading to a consistent product quality.

Recall "There is a temptation when a multi-brand retailer presents a range of plywood varieties to select from – 'Aap yeh bhi dekhiye, sasta hain'. However, my experience has taught me that when you are building a home or an office you need to think for the next 20 years. When you apply this rationale you realise that the premium that you pay for buying a superior quality product is effectively a 'discount' when you factor the number of years the product will endure." - Meenakshi Pandit, Consumer

trusted



IN THE BUSINESS OF INTERIOR INFRASTRUCTURE PRODUCTS, THERE IS AN OVER-RIDING NEED TO PROVIDE A SUPERIOR PRICE-VALUE PROPOSITION OVER COMPETING PRODUCTS.

AT GREENPLY, WE HAVE CONSISTENTLY FOCUSED ON INCREASING THE PRICE-VALUE PROPOSITION, ENHANCING A RESPECT FOR THE FACT THAT WHEN APPRAISED HOLISTICALLY, GREENPLY PROVIDES THE BEST VALUE.

How we enhanced the value proposition

- Over the years, the Company provided a complement of superior product quality, product range, accessibility and warranty, enhancing the overall value proposition.
- The Company capitalised on GST implementation, which narrowed a longstanding gap of manufacturing costs between organised (completely compliant with statutory obligations)

and unorganised sectors (not compliant with tax payments), strengthening the price-value proposition in favour of organised players like Greenply.

■ The Company widened its presence across product categories (value-added to value-for-money), strengthening the offtake of complementary products

■ The Company introduced products at different price points, creating an aspiration-driven consumption journey

Recall “Years ago, when we had first invested in building our office furniture with Greenply, our senior executive had asked why he had not selected cheaper alternatives. We had justified this on the grounds that a premium paid at the outset would gradually result in cost-effectiveness. The second time we embarked on office refurbishment we stayed with Greenply, this time graduating our purchase to a superior plywood variety.” – Anil Mirchandani, Proprietor



IN THE BUSINESS OF INTERIOR INFRASTRUCTURE PRODUCTS, SUCCESS IS DERIVED FROM AGGREGATING, SHARING AND LEVERAGING KNOWLEDGE TO MAKE INFORMED DECISIONS.

AT GREENPLY, WE HAVE AGGREGATED AND ENRICHED OUR KNOWLEDGE CAPITAL TO DRIVE BUSINESS SUSTAINABILITY. THE COMPANY CONSCIOUSLY INVESTED IN CREATING AN INVIGORATING WORKPLACE THAT ATTRACTED PROFESSIONALS AND ENHANCED THEIR RETENTION.

Strengthening our people practices

- The Company positioned itself as a fair, equal-opportunity and merit-driven employer
- The Company strengthened hands-on and behavioural training, enhancing individual productivity

- The Company strengthened team working, making it possible to aggregate competencies
- The Company recruited professionals with diverse capabilities, strengthening the overall competence matrix
- The Company aligned individual aspirations with organisational goals, strengthening people retention

Our employee engagement initiatives

Festival celebrations: We organised employee parties and celebration during festivals.

Green glory league: Annual Employee Meet hosted in Kolkata for all our middle & senior level employees with Games, Entertainment, Rewards & Learning.

Women's Day: We thanked all our Women Employees for their continuous support and contribution.

Family Day: 'SWAJAN – A Celebration of Togetherness' was celebrated as Family Day

We provided our team members games and refreshments.

IPL: We invited KKR Team players to spend time with our Channel Partners in Delhi on 31st March 2019 at Hotel Taj Mahal.

PBD box office: We reserved entire theatre for all our Kolkata employees along with their families for the movie, THUGS OF HINDOSTAN with refreshments.

Blood donation camp: We partnered with Project Life Force and conducted camps with their help in Pune & Delhi inviting our Channel partners, Architects & Contractors.

Diwali sweepstake: In continuation to our custom, we arranged Lottery for employees along with gifts & refreshments.

The result

Our initiatives in engaging with our employees helped us to create an energised team resulting in higher productivity and organisational solidarity.

Recall "Greenply enhances value to an employee's career and resume. The Company provides an invigorating workplace marked by challenge, empowerment and learning, which enhances our personal credential and organisational effectiveness." – N. K. Puhon, Senior Executive

Knowledge



IN THE BUSINESS OF INTERIOR INFRASTRUCTURE PRODUCTS, THE TWO WORDS THAT DRIVE THE BUSINESS ARE 'WHAT'S NEW?'

AT GREENPLY, WE HAVE POSITIONED OURSELVES AS A COMPANY THAT PERIODICALLY INTRODUCES NEW PRODUCTS THAT ENHANCE QUALITY AND CONVENIENCE. THESE PRODUCTS HAVE STRENGTHENED CONSUMER WALK-IN AND OFFTAKE, ENHANCING OUR RESPECT AMONG BUYERS AND OPINION-INFLUENCERS.

How we enhanced our innovation capability

- The Company engaged some of the best research professionals to focus on product and process innovation
- The Company benchmarks products around evolving preferences.

Recall "As Greenply's trade partner, our biggest objective is to explore ways of increasing sales throughput. These days, selling the usual products in the usual ways do not work. New products help grow the market. In this respect, Greenply is leagues ahead of the rest, helping grow the market on the one hand and carving out a disproportionate share of that growth on the other." - Anurag Panchal, Dealer, Gujarat

innovate



GREENPLY'S BUSINESS MODEL IS DRIVEN BY A NEED TO GENERATE SUPERIOR OUTCOMES.

THESE OUTCOMES ARE MARKED BY A CONSISTENT FEATURE – THE CAPACITY TO ENHANCE VALUE ACROSS EVERY RELATIONSHIP, THE ABILITY TO TOUCH AND LEAVE EVERY STAKEHOLDER FOR THE BETTER AND THE ABILITY TO STAND FOR A POSITIVE GOOD FOR THE WORLD AT LARGE.

Enhancing stakeholder value

■ Greenply has strengthened its share of the organised market (currently estimated at about 26%)

■ The Company finished 2018-19 with a gearing of just 0.43; net worth was ₹331.34 cr as on 31 March 2019

■ Nearly 45% of the Company's revenues were derived from an asset-light model, leveraging third party agencies for product manufacture in 2018-19 (likely to increase to 55% by 2022)

Recall "I have been an investor in Greenply for years. The reason why I have stayed invested is that in a world being driven increasingly by brands, Greenply represents insurance: the Company should remain a preferred brand, should protect or enhance market share and should enhance long-term shareholder value." – *Rajesh Shah, Ahmedabad*



IN THE BUSINESS OF INTERIOR INFRASTRUCTURE PRODUCTS, SUCCESS IS DERIVED FROM THE ABILITY TO INFLUENCE OPINION MAKERS, WHO IN TURN, CAN INSPIRE OTHERS TO PURCHASE.

AT GREENPLY, WE ENGAGE EXTENSIVELY WITH A RANGE OF OPINION MAKERS – MEDIA, INTERIOR DESIGNERS, ARCHITECTS, CONTRACTORS, CARPENTERS AND TRADE PARTNERS – WITH THE OBJECTIVE TO CREATE A GROUNDSWELL OF POSITIVE OPINION ABOUT OUR BRAND, INFLUENCING CONSUMERS TO BUY.

Loyalty-enhancing programmes

■ **Green Access:** This Greenply loyalty programme for architects and interior designers helps map lead generation, making it possible to track a product from lead generation to final sales.

■ **Green Samriddhi:** This programme enables carpenters and contractors, who work with our products, to accumulate reward points related to the sale of products they inspire; the accumulated points can then be redeemed for the purchase of products.

Recall “Initially, one was disbelieving of the loyalty schemes announced by the Company. I was pleasantly surprised – the points were not only credited but one could redeem them with speed. The system actually works!”

– Pooja Bansal, Interior Designer

Loyalty



IN THE BUSINESS OF INTERIOR INFRASTRUCTURE PRODUCTS, SUCCESS IS DERIVED FROM THE ABILITY TO CONSISTENTLY MANUFACTURE PRODUCTS OF THE HIGHEST QUALITY, RESULTING IN CUSTOMER TRACTION AND NO-COMPLAINTS OWNERSHIP.

OVER THE YEARS, GREENPLY INVESTED EXTENSIVELY IN CUTTING-EDGE TECHNOLOGIES, WHICH TRANSLATED INTO A HIGH STANDARD OF PRODUCT AND PROCESS QUALITY.

Investing in cutting-edge capex

- The Company made significant investments in boilers, resulting in superior heat consistency
- The Company embarked on periodic preventive maintenance schedules, increasing plant availability (moderating quality losses)
- Started supplies for Railways who completed a successful plant audit, validating our quality
- Changed the door making process, which strengthened product quality
- Installed a central centrifugal compressor that improved air quality
- Completed energy audits of our plants (replacing conventional tube lights with superior LED alternatives)
- Installed an Electro Static Precipitator in the boiler for emission control
- Investment in an Effluent Treatment Plant, enhanced effluent recycling and reused to reduce environment impact

excellence

The dynamic world of Greenply Industries



Positioning

Greenply is one of India's largest plywood manufacturing companies. The Company accounts for an estimated 26% of the country's organised plywood segment.



Background

Established in 1990, the Company is led by Mr. Rajesh Mittal, assisted by a team of experienced professionals.



Our vision

Transform every house into 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 ourselves and the community



Our value drivers

- Nurturing a growth-oriented environment where passionate and skilled problem solvers can unleash their potential
- Offering right products through a deep understanding of one's own requirements
- Adopting groundbreaking measures that reshaped the plywood industry



Presence

Headquartered in Kolkata, West Bengal, Greenply is a pan-India brand with a network of 1870 dealers in 300 cities and towns across the country. The Company's three manufacturing units possess a cumulative plywood manufacturing capacity of 24.90 million sq. mtrs.

Plywood manufacturing facilities

Kripampur, West Bengal	Tizit, Nagaland	Bamanbore, Gujarat
6 million sq. mtrs.	4.50 million sq. mtrs.	14.40 million sq. mtrs.
<ul style="list-style-type: none"> ■ Close to Kolkata Port ■ Base for Eastern and Southern Indian markets 	<ul style="list-style-type: none"> ■ Proximate to Nagaland timber belts 	<ul style="list-style-type: none"> ■ Proximate to Kandla Port ■ Base for Western and Northern markets



Product portfolio

Greenply is one of the leading interior infrastructure products manufacturer. The Company's extensive experience in interior infrastructure projects, coupled with the rapid growth of the real estate sectors (residential, commercial and retail), have enhanced competitiveness.



Plywood and block board

The Company specialises in the manufacture of quality products for applications in furniture, partitions, paneling, cavity flooring, paneled floors, hoardings, false ceilings and other exterior-and semi-exterior applications.

Plywood and block board

Plywood and block boards

Value proposition

- Prominent brand name in the plywood space.
- Eco-friendly products.
- Diversified product mix across all price points.
- Strategic locations of production facilities, catering to a pan-India demand.

- Asset-light model (50% in-house and 50% outsourced in volume) generating higher returns on capital employed.

- 360-degree marketing initiatives, targeted at trade and end consumers through various above-the-line (ATL) and below-the-line (BTL) activities to enhance brand visibility.



Listing

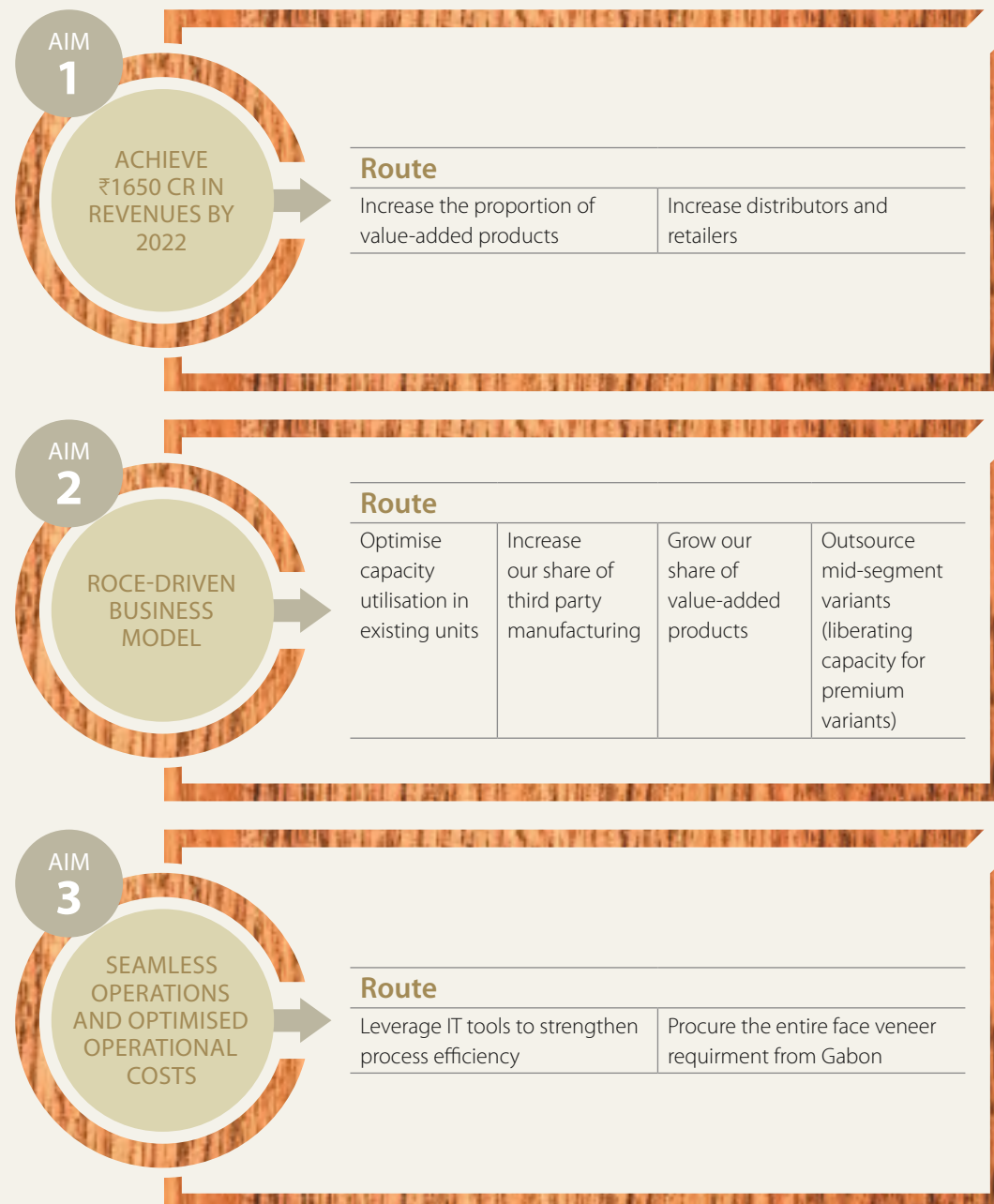
The Company is listed on the BSE Limited (scrip code: 526797) and the National Stock Exchange (scrip code: GREENPLY) and traded actively. As on 31st March 2019, the Company's market capitalisation stood at ₹1,915.44 crore and the promoters held a 51.03% stake in the Company.



Key numbers, 2018-19

1,290.25 (₹ crore) Revenues	126.33 (₹ crore) EBITDA	61.29 (₹ crore) PAT
1,870 Dealers as on 31st March 2019	25 Branches across India	6,000 Retail touchpoints

Our strategic goal and how we plan to reach there



Our face veneer facility in Gabon, West Africa



Through a wholly-owned step-down subsidiary (Greenply Gabon, SA), the Company commenced the production of face veneers in West Africa from July 2017 (log peeling capacity 36000 CBM).

Review

- Gabon forests are operated under a sustainable forest management system, making it possible to draw out a 25-year management plan. Each tree permitted for felling is marked; only 4% of the total concession is permitted for felling in a year.
- The Company engaged with professional loggers who supply logs for existing plants (existing and expanded capacity).
- Okoume is accepted as the best available wood species for face veneers the world over, including India.
- The Company is expanding its log peeling capacity to 96,000 CBM by Q3 FY2020.

The plywood industry's value chain and Greenply's positioning

Segments

Luxury / Premium plywood

(₹100-140 psf)

Details

- Market size: ₹38 billion
- Market share: 20%
- Market leadership: Largely organised
- Organised to unorganised mix: 70:30

Growth drivers

- GST implementation
- E-Way bill implementation
- Creation of Smart Cities
- Increasing discretionary spends/aspirations resulting in frequent upgradation
- Higher A&P spends creating mind recall
- Increasing quality consciousness

Segments

Medium/ Mass plywood

(₹70-90 psf)

Details

- Market size: ₹97 billion
- Market share: 51%
- Market leadership: Largely unorganised
- Organised to unorganised mix: 15:85

Growth drivers

- Policy reform – Housing for All / focus on affordable housing
- Consistent shift from unbranded to branded products playing out with increasing quality consciousness

Segments

Low-end plywood

(₹40-60 psf)

Details

- Market size: ₹55 billion
- Market share: 29%
- Market leadership: Unorganised sector
- Organised to unorganised mix: 0:100

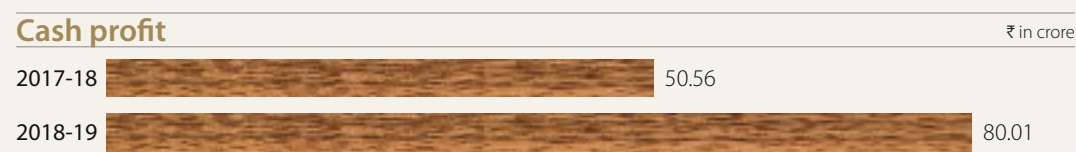
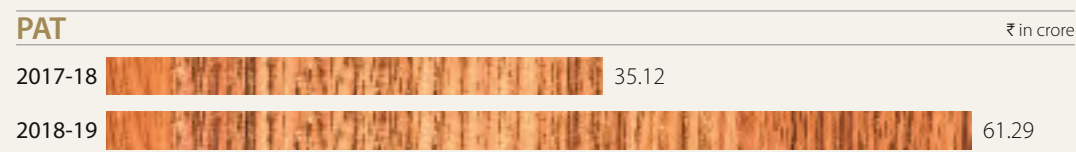
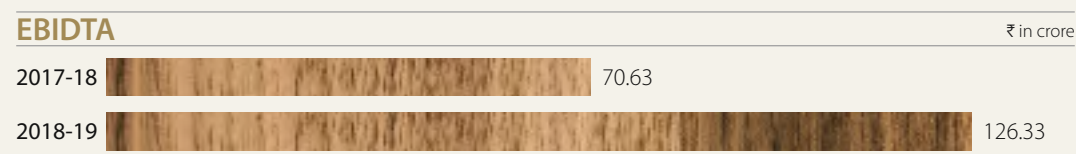
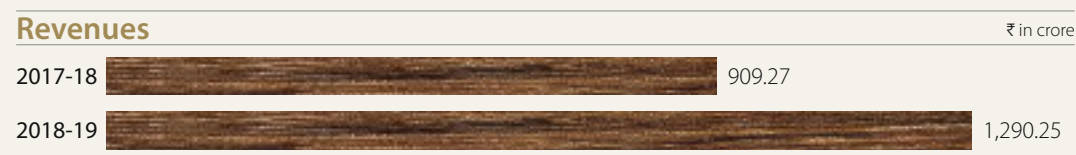
Growth drivers

- Constraints in face veneer availability, particularly following the ban on the export of timber logs from Myanmar
- Increase in face veneer costs following the Myanmar ban
- Higher working capital requirements that the unorganised sector would be unable to address

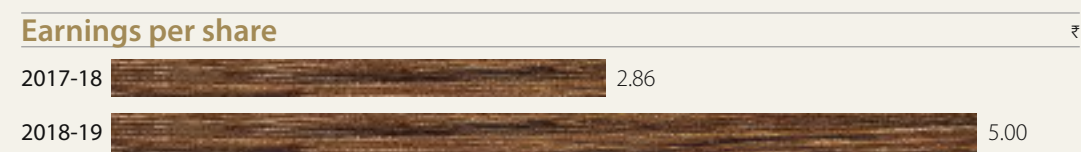
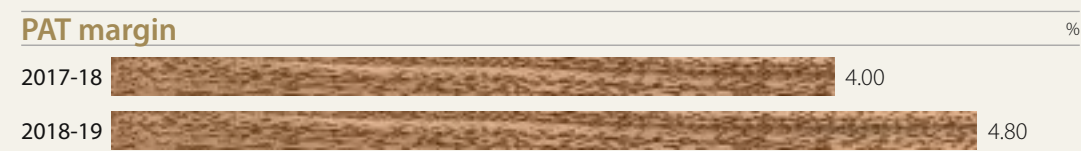
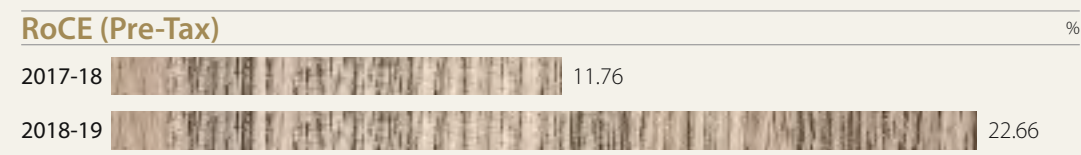
Why Greenply is optimistic about its business.



How we grew the quantity of our business



How we enriched the quality of our business



Figures considered above for comparison and ratio calculation related to financial year ended 31 March 2018 represents continuing operations of the Company.

CMD's statement



Dear shareholders,

At Greenply, our principal objective is to enhance value for stakeholders – the entire family comprising shareholders, customers, vendors, employees and community. We are a plywood solution provider with a presence across all price-points in the premium, mid and low segment addressing the requirements of all individual and OEMs.

In our value-creation journey, the year 2018-19 proved momentous. Greenply demerged its few businesses into a separate company called Greenpanel Industries Limited to enhance focus. Meanwhile, Greenply will continue to focus on plywood and allied products.

Following this demerger, Greenply expects to rationalise the cost of operations and time-to-market to drive business growth.

Macro scenario

The year under review was one of the most challenging for the Indian economy in years.

After reporting a 7.2% growth in 2017-18, the economy reported healthy growth during the first two quarters. However, after one of the country's largest

NBFC companies encountered a liquidity crunch, the NBFC sector slowed, affecting credit flows in the economy that affected consumption sentiment. By the fourth quarter, GDP growth had declined to a multi-quarter low of 5.8% and the country's GDP for the year declined 40 bps to 6.8%.

Our performance in 2018-19

India's plywood sector was adversely affected during the year under review for various reasons.

The real estate sector continued to be in a state of slowdown, which translated into a lower single-digit growth of the plywood sector during the year under review.

This reality notwithstanding, Greenply reported 45% growth in revenues and 79% growth

Our Gabon business

The Company commenced commercial veneer operations in Gabon, West Africa, in FY18 through a wholly-owned subsidiary in Dubai, with an installed annual peeling capacity of 36,000 CBM per annum. The Dubai subsidiary contributed ₹128 crore in revenues at a consolidated level in FY2018-19. We are expanding our annual peeling capacity to 96,000 CBM per annum by Oct 2019 and we expect Gabon's net revenue to double by FY2020-21 at improved EBITDA margins of 18-18.5%. After stabilising the Face Veneer operations in Gabon, the Company plans to commence forest operations for sourcing timber and start its lumber/plywood business. The demand for these products gaining traction in Europe and USA.

The Company's face veneer requirement is only 15-18% of the present output at Gabon. The balance is sold to customers in India, South East Asia and Europe. Going forward, with the increased annual peeling capacity of 96,000 CBM, Greenply's requirement could drop to only 10% of the output from Gabon. The Company focus more on the South East Asian, European and US markets.

The South Asian markets which were suppliers of the face veneer have started importing face veneers from Gabon. In view of this, the new expansion could take care of demand from the European and US markets.

in EBITDA, while PAT and cash profit improved 75% and 58% respectively.

Greenply reinforced its reputation as an outperformer on account of a stricter e-way bill system implementation whereas the unorganised sector was compelled to absorb price increases. The result was a decline in the cost differential between organised and unorganised players, leveling the playing field for the former.

Besides, Greenply continued to invest in building its brand through prudent investments that enhanced visibility and recall.

Greenply introduced a new plywood variant in the cost-effective category, which reported strong offtake during the year under review. The loyalty program introduced for influencers indicated superior traction. The proportion of revenues from premium brands increased, strengthening margins.

The Company started outsourcing of Mat plywood, which helped in increasing the capacity utilisation of existing units. It achieved a capacity utilisation of 139% in FY2018-19 with no

capex investment. This helped in improving the margins of premium products, effected in a stronger RoCE.

For Greenply, the year under review was also the first full operational year for the Gabon unit, which reported a 164% capacity utilisation, the Company's requirement being only 15-18% of the total present output of face veneers from Gabon.

Improving sectoral condition

Following the formation of the new Indian government with an absolute majority, the business scenario should improve across the coming quarters. The government should continue to invest in infrastructure, kick-starting economic growth that should translate into improved prospects for the plywood sector.

With a large proportion of the Indian population being young, economically productive, globally exposed and upwardly mobile, India could witness a surge in the offtake of organised furniture. Besides, the affordable housing program of the government could catalyse real estate demand, strengthening plywood offtake.

Corporate optimism

With a vast range of product range servicing demand for a diverse set of consumers coupled with unmatched quality and superior availability, Greenply is positioned to grow sustainably.

The plywood business of the Company has graduated to a differentiated asset-light model, among the first in the industry to do so through the outsourcing of MAT plywood and through equity participation in new units manufacturing related products. This will help Greenply in improving revenues and margins without large capex.

Note of thanks

I am thankful to all our shareholders for staying invested in the Company. Greenply is committed to drive profitable growth for its investors. Thanks to its strong business model, the Company could continue to grow attractively, profitably and sustainably.

Regards

Rajesh Mittal
Chairman cum Managing Director
(DIN: 00240900)

How we have been enhancing value for our stakeholders

IN THE LAST FEW YEARS, GREENPLY’S CONSTANT ENDEAVOR HAS TO ATTRACTIVELY INCREASE SHAREHOLDER VALUE.

THE COMPANY ENHANCED THIS VALUE THROUGH INCREASED MARKET CAPITALISATION AND ENHANCED DIVIDEND PAYOUTS.

Outcomes of our value creation focus

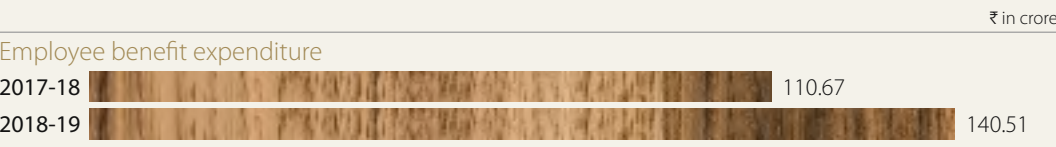


Dividend payout*



Employee benefit expenses

Employees are the most important factor driving organisational growth. The Company invested significantly in recruiting the best talent, developed and aligned their skill set with global benchmarks and created a harmonious work environment.



Our value-creation business model

What brought us here...	How we plan to move ahead...
<ul style="list-style-type: none"> Extensive and balanced integration of manufacturing process Investments in capacity and market creation Proactive investments in environment management Proactive debt repayment Strengthening the product portfolio Investments in securing raw materials 	<ul style="list-style-type: none"> Sustain the integrated business model. Focus on generating an above-average bottomline irrespective of market conditions Reward shareholders Remain largely debt-free (for long-term debt) Enhance asset sweating; rationalise operating costs.

Management discussion and analysis

Review of the Indian economy

After registering a growth of 7.2% in FY2018 and 6.8% in FY2019, the Indian economy is expected a GDP growth of around 6.9% in FY2020, as per estimates released in August 2019 by Reserve Bank of India.

Domestic economic activity deaccelerated for the third consecutive quarter in Q3 of FY2018-19 due to a slowdown in consumption, both public and private. However, gross fixed capital formation (GFCF) growth remained in double digits for the fifth consecutive quarter in Q3, with the GFCF-to-GDP ratio rising to 33.1% in Q3 of FY2018-19 against 31.8% in Q3 of FY2017-18, supported primarily by the government’s thrust on the road sector and affordable housing. The drag on aggregate demand from net exports also moderated during Q3.

On the supply side, growth of real gross value-added (GVA) stood at 6.8% in 2018-19 compared with 6.9% in 2017-18. GVA growth slowed down to 6.3% in Q3 due to a deceleration in agriculture output from the record level achieved in the previous year. Industrial GVA growth remained unchanged in Q3, with manufacturing GVA growth slowing somewhat. Services GVA growth also remained unchanged in Q3 while growth in construction activity accelerated. There was some loss of momentum in public administration, defence and other services.

The capital market witnessed a deceleration in growth with one of the major NBFC witnessing meltdown. Retail inflation, measured by y-o-y change in the CPI, rose to 2.6% in February after four months of continuous decline. The uptick in inflation was

driven by an increase in prices of items excluding food and fuel and weaker momentum of deflation in the food group. The Indian rupee witnessed high volatility, falling by ~14% between April to October 2018 as investors sold the local currency in wake of global headwinds coupled with widening current account deficit led by higher crude oil prices. Adding to it, strong demand for the US currency from importers and foreign fund outflows also weighed on rupee movement. The Indian currency hit an all-time intra-day low of ₹74.45 against the US dollar on 11th October 2018.

(Source: CSO)

The plywood sector

Plywood is produced by assembling thin layers of wood veneers and bonding these together using strong adhesives. Softwoods, hardwoods, or a combination of the two or several varieties of mixed hardwood is used in the production of plywood for various applications. Softwood plywood sheets are designed for exterior installations whereas hardwood plywood sheets are used for manufacturing furniture and other interior applications. In India, plywood is mostly used for manufacturing furniture, accounting for 66% of the consumption.

The ₹19,000 crore plywood market in the country is fragmented with >75% of the market dominated by unorganised players, though GST and e-way bill introduction helped create a level playing ground, which should accelerate the shift in consumption towards organised manufacture.

The plywood industry’s value chain (realisation-wise)*

Segment	Price	CAGR growth between FY13 and FY18	Key numbers
Luxury / premium plywood	₹100-140 per square feet	10-12%	<div><div></div>Market size: ₹38 billion</div> <div><div></div>Market share: 20%</div> <div><div></div>Market leadership: Largely organised</div> <div><div></div>Organised to unorganised market share: 70:30</div>
Medium / mass plywood	₹70-90 per square feet	5-7%	<div><div></div>Market size: ₹97 billion</div> <div><div></div>Market share: 51%</div> <div><div></div>Market leadership: Largely unorganised</div> <div><div></div>Organised to unorganised market share: 15:85</div>
Low-end plywood	₹40-60 per square feet	Flattish growth/ Contraction	<div><div></div>Market size: ₹55 billion</div> <div><div></div>Market share: 29%</div> <div><div></div>Market leadership: Unorganised</div> <div><div></div>Organised to unorganised market share: 0:100</div>

*Taking 19-millimetre thickness as base

Indian furniture segment overview

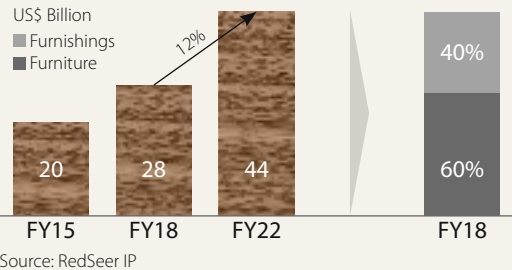
Furniture and furnishings retail in India has grown to become a US\$ 28- billion opportunity with ~60% of revenues being accounted by furniture sales (~US\$ 17 billion). Over the next few years, segmental growth is expected to accelerate owing to continued urbanisation, increasing access to branded furniture and a growing consumer willingness to upgrade to premium furniture.

The furniture market in India has always been fragmented with ~86% of sales coming from unorganised channels. However, in the aftermath of the e-commerce boom, it is expected that the organised market’s share can potentially reach ~20% by 2022. Large products like beds, sofas and wardrobes dominate the market, with little change expected in this mix.

With a value >US\$ 2.5 billion, the office furniture sector accounts for a ~17% share of the Indian

furniture market. Demand for office furniture is growing rapidly and currently it is ~50% higher than what it was in 2012. This surge in office furniture consumption has come about on the back of a general improvement in the macroeconomic scenario, which led to a steady growth in the industrial and services sectors, increasing the demand for office spaces. Overall prospects remain reasonable for FY2019-20 and FY2020-21.

Indian furniture / furnishings market overall market



Growth drivers

Increasing urbanisation: India is the second-largest urban community in the world after China. It has been estimated that by FY20, 35% of India’s population could be living in urban centres and contributing 70 to 75% of India’s GDP.

Middle-class: India’s middle-class is expected to increase to 58.3 crore people by 2025 and >2.3 crore of them (more than the population of Australia today) among the country’s wealthiest citizens.

PMAY boost: The Pradhan Mantri Awas Yojana (PMAY) was introduced in June 2015 to provide affordable housing to the urban and rural poor. The mission is to provide housing for all by 2022. Under this scheme, affordable houses will be built in select cities and towns using eco-friendly methods. In the

Credit Linked Subsidy Scheme, PMAY beneficiaries are eligible for interest subsidy if they avail a loan to purchase or construct a house.

Smart Cities: The Government of India launched the Smart Cities Mission in June 2015 to promote sustainable and inclusive cities that provide core infrastructural facilities and offer clean environment via the application of ‘Smart’ solutions.

Millennial demand: India is a young country with a median age of 28 years. Millennials account for 34% of the country’s total population and ~50% of the working population. Millennials are well-educated and better-connected with the world, increasingly using the internet as a shopping tool. Armed with higher disposable incomes, they spend a significant amount of their savings on lifestyle products.

E-commerce growth: Furniture retail in India is driven by the unorganised sector owing to a high volume of offline rentals along with challenges related to the consolidation of supply-demand dynamics at a national scale. Over the past few years, e-tailers have brought about a paradigm shift. On the supply side, they have provided organised platforms to suppliers by bringing them onto a well-managed marketplace or by creating private labels. On the demand side, a combination of strategic marketing campaigns and brick-and-mortar experiential stores is driving demand creation. Farsighted investments in supply chain management and quality control have allowed these e-tailers to grown rapidly. Consequently, they are poised to grow their share of the market to ~8% by 2022.

Rural consumption: In FY18, the annual consumption growth in rural India stood at 9.7% compared to 8.6% in urban areas. The rural segment is growing at a rapid pace, boosting the demand for furniture.

Growing nuclearisation: ~74% households have five or fewer members according to the 2011 Census. The fall in the average household size with higher disposable incomes could lead to a higher percentage of spending being channelised towards furniture purchase.

The Company’s overview

Greenply Industries Limited is among the foremost plywood manufacturers in India with a 26% share of the organised market. Greenply offers a comprehensive range of panel products including plywood, block boards, decorative veneers, doors and film faced plywood among others.

The plywood segment

Greenply Plywood is made from plantation timber and goes through a stringent five-step preservative treatment, making it termite and borer-resistant. Greenply Plywood possesses high dimensional stability that makes it warp-free. Greenply Plywood is eco-friendly and emission-free (emits lower quantities of formaldehyde as per E1 formaldehyde emission levels). In addition to fire-retardant plywood, all other Greenply products are treated with fire-retardant chemicals.

Greenply was the first Indian player to offer a lifetime guarantee on high-end products like Green Club and Green Club Plus premium plywood, among others. The Company’s Green Fire Retardant Plywood was certified by the Central Building Research Institute. Greenply is among the most widely-available plywood brands with a presence in > 300 cities via 1870 dealers/distributors and 25 branch offices across the country.

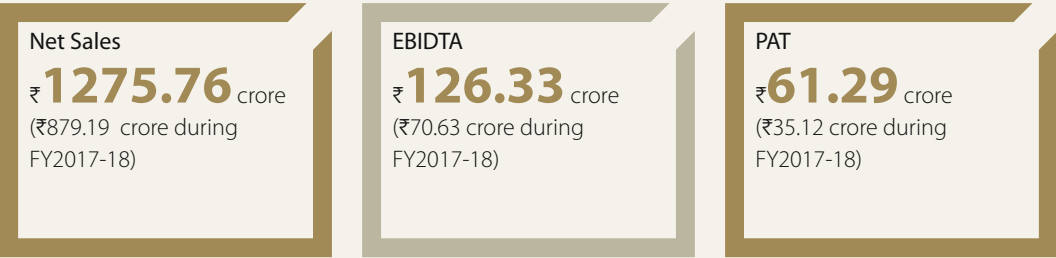
Key brands



What sets Greenply’s product apart



Performance highlights, FY2018-19



Operational improvement, FY2018-19 vis-à-vis FY2017-18

Parameters	2017-18	2018-19
Annual capacity (million square metres)	21.90	24.90
Production (million square metres)	23.62	34.69
Sales volume (million square metres)	40.95	57.13
Capacity utilisation (%)	108	139
Average realisations (₹ per square metre)	209	219

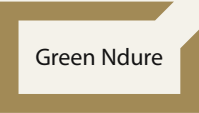
Outlook
Growing disposable incomes coupled with increasing shrinking family sizes are driving the demand for housing units. Government projects like Housing for all and the Smart Cities are strengthening the country’s real estate sector. Plywood, one of the most preferred materials for interior infrastructure, is expected to post strong growth across the foreseeable future.

PVC foam boards and sheets

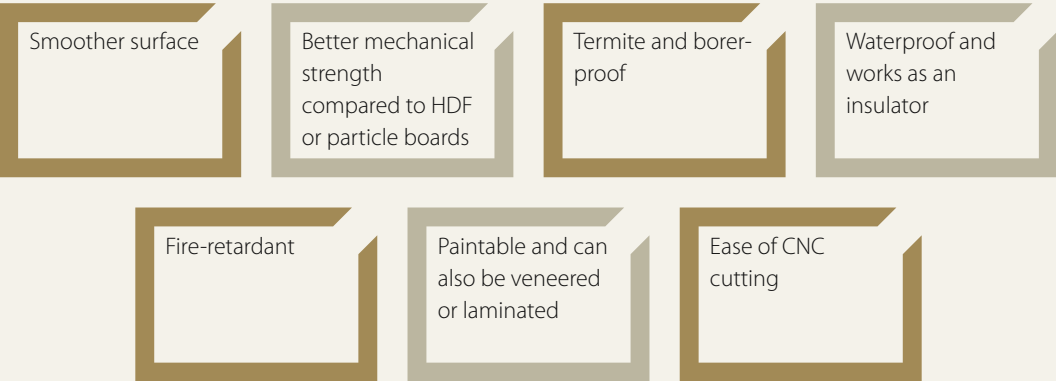
Greenply markets PVC foam boards and sheets under the Green Ndure brand. Since its launch in FY2018, the brand has emerged as one of the preferred plastic panel products used in the construction and

engineering industries. The products are preferred because for their sturdiness and mechanical strength, which increases with molecular weight but decreases with rising temperatures. PVC boards are gaining popularity as they are lighter, cheaper and offer a host of performance advantages. PVC panels are easy-to-install, water-proof, and maintenance-free. Besides, they are available in a variety of textures, patterns and designs.

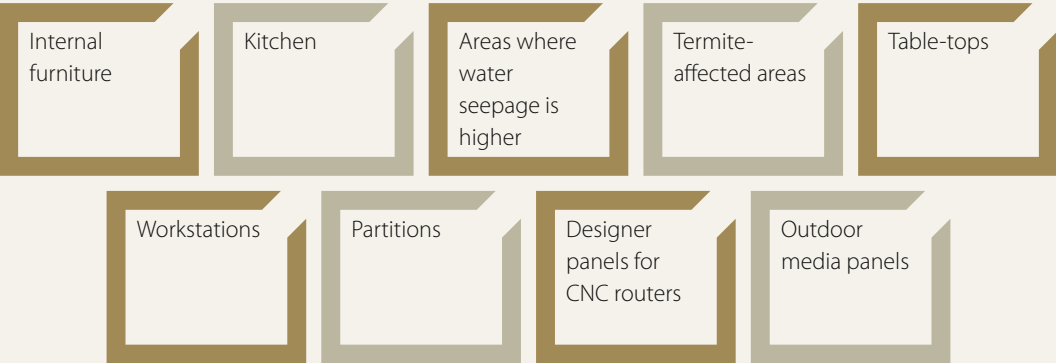
Key brand



What sets Greenply’s products apart



Key Greenply product applications



Outlook
With residential construction growing, especially in the affordable segment, the demand for these products is expected to grow attractively.

Financial analysis

The financial statements of the Company were prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended, notified under Section 133 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013.

Balance sheet

- Net worth stood at ₹331.34 crore as on 31st March 2019.
- Borrowings as on 31st March 2019 stood at ₹143.64 crore.
- Total non-current assets as on 31st March 2019 stood at ₹123.19 crore.

Profit and loss statement

- Net sales increased by 45.1% from ₹879.19 crore in FY2017-18 to ₹1,275.76 crore in FY2018-19.
- EBITDA increased to ₹126.33 crore in FY2018-19 compared to ₹70.63 crore in FY2017-18.

- Profit after tax increased by 74.5% from ₹35.12 crore in FY2017-18 to ₹61.29 crore in FY2018-19.
- Gross profit margin increased by 111 bps from 36.05% in FY2017-18 to 37.16% in FY2018-19.
- Depreciation and amortisation stood at ₹18.72 crore in FY2018-19 compared to ₹15.44 crore in FY2017-18.
- Working capital management**
 - Current assets as on 31st March 2019 stood at ₹470.45 crore.
 - Current ratio as on 31st March 2019 stood at 1.66.
 - Inventories as on 31st March 2019 stood at ₹141.61 crore.
 - Short-term loans and advances as on 31st March 2019 stood at ₹0.45 crore.
 - Current liabilities stood at ₹284.16 crore as on 31st March 2019.
- Cash and bank balances**
 - Cash and bank balances stood at ₹18.10 crore as on 31st March 2019.

Key ratios

Particulars	FY2018-19
EBIDTA/Turnover (%)	9.9%
EBIDTA/Net interest	8.53
Debt-equity ratio	0.43
Return on equity (%)	18.50%
Book value per share (₹)	27.02
Inventory turnover (days)	41
Receivables cycle (days)	81
Earnings per share (₹)	5.00

Managing risks at Greenply

Greenply is exposed to various risks that can be divided into external, operational, strategic and financial categories. Over the years, Greenply has undertaken several initiatives to address risks through operational activities performed by business area boards. The Board members, oversee these risk exposures and their mitigation impacts.

Classification of key risks at Greenply

External

Macro-economic trends, technological transformations and changes in industry dynamics

Operational

Threats to corporate performance and creation of long-term value

Financial

Exposure to financial challenges

Strategic

Internal and external factors impacting strategies

External risks

Weak macroeconomic growth could impact Greenply	In 2018-19, India emerged as one of the fastest-growing economies. The country's economy is expected to grow around 7% over the next two years.
Slowdown in demand from downstream sectors could decelerate growth	Burgeoning income levels led to consumption growth. The PMAY catalysed demand in the residential real estate segment, driving furniture sales.
Increased competition could affect profitability	Success in the plywood industry is dependent on access to natural resources that raises the entry barrier for intending entrants. Greenply's strong product portfolio and deep market penetration have allowed it to reinforce its market leadership.
Regulatory changes could impact the Company's business	The Company conforms to all regulations. It deployed a dedicated team to monitor regulatory compliance and take corrective action whenever required.
Inadequate raw material supply could be detrimental	The Company forged ties with many vendors to ensure round-the-year access to raw materials. It invested in a peeling unit in Gabon to enhance resource security. Gabon is one of the few places in the world that offers a large quantity of Okoume timber – a superior hardwood timber harvested under a sustainable forest management plan - naturally durable timber at par with Gurjan wood.

Strategic risks

The Company's new products may not find market acceptance	Over the past few years, the Company launched various plywood variants. The Company launched doors and PVC boards to expand its products portfolio.
The Company's marketing strategies may fail to generate desired results	The Company adopted a 360° marketing strategy to ensure all-round visibility. The Company continues to account for >26% share of India's organised plywood market.

Operational risks

Cost overruns could dent profitability	The Company has taken several cost optimisation initiatives and emerged as one of the lowest cost Indian plywood manufacturers
Lack of quality manpower could impact business sustainability	The Company is a preferred employer in its sector. It undertakes regular training to enhance employee skills and periodic employee engagement programmes to maximise talent retention.
Inferior quality products could affect sales growth	The Company's products conform to major global standards like CE, IGBC and BIS, among others. The Company invests in cutting-edge equipment and high-grade raw materials to produce top-notch products. The in-house quality control team ensures that its products conform with the highest qualitative standards.
Violation of environmental norms could lead to censure and closure	During FY2018-19, the Company distributed huge saplings as a part of its afforestation commitment. The Company follows best-in-class practices in terms of environmental management and is one of the most respected brands in its industry.

Financial risks

Increased interest rates could affect profits	The Company's average debt cost of below 9% was one of the most competitive in the industry in 2018-19. Robust financials and a strong credit rating empowered the Company to negotiate lower debt costs.
Inability to borrow funds could impact expansion plans	Greenply's long-term debt-equity ratio stood at 0.15 as on 31st March 2019, reflecting adequate room for additional borrowings should they be needed.
Improper working capital management could hamper operational seamlessness	The Company's strong brand equity helped it move to the cash-and-carry business model with an average receivables cycle of 81 days of turnover equivalent and an inventory cycle of 41 days of turnover equivalent.
Foreign currency fluctuations could affect profitability	The Company's policy is to take forward cover in respect of its foreign currency exposers in respect of import of raw materials and traded goods.

Health, Safety and Environment (HSE)

Greenply believes health, safety and environment (HSE) management goes a long way in maintaining an organisation's sustainability. The Company, thus, demonstrates environmental and social responsibility at every step. We are committed to benefit communities – workforce, public, and environment. Our HSE objectives include complying with all applicable laws relevant to the industry. The management believes in sharing responsibility with even the entry level employees in conforming to the existing laws. Furthermore, we believe in elevating health, safety and environment aspects of people around our facilities.

Health, safety and environment objectives

- Complying with all applicable laws and relevant industry standards of practice
- Elevating the health, safety and environmental aspects of equipment and services
- Making everyone responsible and accountable to HSE, right from entry-level employees to the management team

Health and safety measures

The 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 with safety norms.

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

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

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

Human resources

Greenply's prudent human resource practices helped reinforce its sectoral leadership. The Company invested in formal and informal training coupled with on-the-job training. Greenply reinforced its employee engagement by providing an amicable workplace, offering challenging responsibilities and maintaining an ongoing dialogue. The Company enjoyed one of the highest employee retention rates in the industry and continues to work on leadership development to drive organisational growth. As on 31st March 2019, the Company's employee base stood at 2,368 (permanent employees).

Internal control systems and their adequacy

The Company has in place strong internal control procedures commensurate with its size and operations. The Company believes that safeguarding of assets and business efficiency can be prolonged by exercising adequate internal controls and standardising operational processes. The internal control and risk management system is structured and applied in accordance with the principles and criteria established in the corporate governance code of the organisation. It is an integral part of the general organisational structure of the Company and Group and involves a range of personnel who act in a coordinated manner while executing their respective responsibilities. The Board of Directors offers its guidance and strategic supervision to the Executive Directors and management, monitoring and support committees.

DIRECTORS' REPORT

To

The Members,

Your Directors have pleasure in presenting their 29th 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, 2019.

Financial highlights

The financial performance of your Company, for the year ended March 31, 2019 is summarized below:

Particulars	(₹ in lacs)			
	2018-19 Standalone	2018-19 Consolidated	2017-18 Standalone	2017-18 Consolidated
Turnover	1,27,575.60	1,40,412.94	89,418.67	91,526.47
Profit before finance charges, Tax, Depreciation/Amortization (PBITDA)	12,633.36	14,731.21	7,063.43	6,779.13
Less: Finance Charges	1,480.59	1,863.48	633.81	772.45
Profit before Depreciation/Amortization (PBTDA)	11,152.77	12,867.73	6,429.62	6,006.68
Less: Depreciation	1,871.73	2,243.11	1,544.33	1,795.74
Net Profit before Taxation (PBT)	9,281.04	10,624.62	4,885.29	4,210.94
Provision for taxation	3,151.82	3,151.82	1,373.17	1,373.17
Profit/(Loss) after Taxation (PAT)	6,129.22	7,472.80	3,512.12	2,837.77
Share of profit/(loss) of Joint Venture	NA	494.36	NA	(760.25)
Profit/(Loss) after Taxation and share of profit/(loss) of Joint Venture (Continuing Operation)	6,129.22	7,967.16	3,512.12	2,077.52
Net Profit before Taxation (PBT) (Discontinued operation)	--	--	14,034.80	12,962.65
Provision for taxation (Discontinued operation)	--	--	3,977.46	3,977.46
Profit/(Loss) after Taxation for the year	6,129.22	7,967.16	13,569.46	11,062.71
Transfer to General Reserve	--	--	6,500.00	6,500.00

Result of operations and the state of Company's affairs

During the year under review, your Company posted a stable performance with turnover of ₹1,27,575.60 lacs as against ₹89,418.67 lacs in the previous year. Profit for the year 2018-19 was ₹6,129.22 lacs as against ₹3,512.12 lacs in the previous year.

As per the consolidated financial statements, the turnover and profit for the year 2018-19 were ₹1,40,412.94 lacs and ₹7,967.16 lacs respectively as against ₹91,526.47 lacs and ₹2,077.52 lacs in the previous year.

Your Company continues to retain and reinforce its market share under organised sector with a pan India distribution network comprising of distributors/dealers and retailers. Your Company is the preferred partner of choice for a large number of offices and home builders, having a comprehensive product portfolio servicing clients at every point of the price spectrum. Your Company is present across different price points to cater to the needs of 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. Plywood market is one of the major verticals of the interior infrastructure, comprising materials used in building furniture. Such materials include plywood, boards, decorative veneers, doors. Your Company 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. The demand for readymade furniture is growing. The real estate industry is one of the most significant growth drivers for the plywood sector. Your company also focused on the value added products to improve margin.

An increasing shift towards the organised sector is foreseen in the industry. Growing customer awareness, brand consciousness and a plethora of choices at the disposal of consumers is encouraging product innovation and quality focus from the organised players.

Going forward, there is an increasing shift being witnessed towards the organised sector owing to brand and quality awareness. With wider choice, product innovation and warranty, being offered by organised players, customers are shifting more focus on this segment.

The Veneer unit at NKOK, Gabon, West Africa through step down wholly owned subsidiary, Greenply Gabon SA, is in the process of expansion. The Civil work has been completed. Machinery and Boiler installation are in process and the new lines are expected to commence production in October, 2019. With the commencement of the new lines with bigger size peeling machines, the unit will be able to tap the European and US markets. The FSC certification process is in its final stages and the unit is expected to be FSC certified by the time the new lines are operational giving it an edge in the International market. The Unit is further expanding its markets in South East Asia, Europe and North Africa apart from the Indian Sub-Continent.

In respect of setting-up of new unit in Sandila Industrial Area, Sandila, Dist. - Hardoi, Uttar Pradesh for manufacturing of Plywood and its allied products, the Company has received land allotment letter from the respective government authority. Transfer of forest licenses in the name of the Company has been completed.

The Company has entered into an agreement, inter alia, for investment of ₹1.80 crore (i.e. 30%) in the equity share capital of M/s. Nemani Panels Pvt. Ltd., (a newly incorporated company for setting-up a manufacturing unit of Plywood and allied products at Bareilly, U.P.) promoted by Bareilly Plyboards Pvt. Ltd. (an existing company manufacturing and selling Plywood and allied products). The Company has also entered into an agreement, inter alia, for investment of ₹3.25 crore (i.e. 30%) in the equity share capital of M/s. Panchjanya Ply & Boards Pvt. Ltd., (a company incorporated for setting-up manufacturing unit of Doors and Film Face Plywood and allied products at Bareilly, U.P.). The Company will procure materials from them for its businesses.

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

Composite Scheme of Arrangement and Change(s) in the nature of business

Your Board of Directors on 30th May, 2018, subject to approval of the concerned Authorities, approved a Composite Scheme of Arrangement (Scheme) between Greenply Industries Limited and Greenpanel Industries Limited and their respective shareholders and creditors for the demerger of ‘Transferred Business’ as defined in the Scheme i.e. business comprising of manufacturing, marketing and trading of Medium Density Fibre Boards (MDF), Pre-Laminated MDF, Wood Floors, Plywood, Decorative Veneers, Doors and allied products. Presently, this business consists of the MDF manufacturing unit situated at Routhu Suramala, Chittoor (Andhra Pradesh), MDF manufacturing unit and Plywood and allied products manufacturing unit located in a common

plot at Pantnagar (Uttarakhand), registered, marketing, branch and administrative office(s) located in India and overseas subsidiary viz. Greenply Trading Pte. Limited (registered in Singapore) excluding its investment of USD 37,50,000 (37,50,000 ordinary shares of USD 1 each) in Greenply AlkemaI (Singapore) Pte. Ltd. (registered in Singapore).

The Hon’ble Guwahati Bench of National Company Law Tribunal (“NCLT”) has, on 28th June, 2019, approved the Composite Scheme of Arrangement under Section 230 to 232 read with Section 66 of the Companies Act, 2013 between Greenply Industries Limited ("Greenply") and Greenpanel Industries Limited ("Greenpanel") and their respective shareholders and creditors, for demerger of the 'transferred business' into Greenpanel, with effect from April 01, 2018 (Appointed Date). Consequent to the Scheme becoming effective, shareholders of Greenply Industries Limited were allotted 1 (one) fully paid up equity share of Re.1 (one) each of Greenpanel Industries Limited for every 1 (one) equity share of Re. 1 (one) each held by them in the Greenply as on the record date i.e., 15th July, 2019. The equity shares were issued pursuant to the Scheme in Greenpanel Industries Limited and will be listed with BSE Ltd. and National Stock Exchange of India Limited. Further, the existing equity share capital of Greenpanel Industries Limited which was fully held by Greenply Industries Limited was cancelled pursuant to the Scheme and Greenpanel Industries Limited has ceased to be a subsidiary of the Company.

During the year under review, there has been a re-alignment of the Company's holding in its step-down Joint Venture Company namely M/s. Greenply AlkemaI (Singapore) Pte. Ltd. [a joint venture company of Greenply Industries Limited, India through its wholly owned subsidiary Greenply Trading Pte. Ltd., Singapore (now name changed to Greenpanel Singapore Pte. Ltd.) and AlkemaI Singapore Pvt. Ltd., Singapore] whereby the Company's investment of USD 37,50,000 (37,50,000 ordinary shares of USD 1 each) in the said Joint-Venture Company, which was held through Greenply Trading Pte. Ltd. (now name changed to Greenpanel Singapore Pte. Ltd.), is now being held through Greenply Holdings Pte. Ltd., Singapore, existing wholly owned subsidiary of the Company.

Greenply Trading Pte. Ltd. (now name changed to Greenpanel Singapore Pte. Ltd.), Singapore has reduced its share capital of 37,50,000 ordinary shares of USD 1 each and accordingly there was partial disinvestment of 37,50,000 ordinary shares of USD 1 each in Greenply Trading Pte. Ltd., Singapore by Greenply Industries Limited.

Greenply Holdings Pte. Ltd., Singapore, has raised further share capital of 37,50,000 ordinary shares of USD 1 each and accordingly, there is further subscription of 37,50,000 ordinary shares of USD 1 each in Greenply Holdings Pte. Ltd., Singapore by Greenply Industries Limited.

Pursuant to the said Scheme, overseas subsidiary viz. Greenply Trading Pte. Limited, Singapore (now name

changed to Greenpanel Singapore Pte. Ltd.) was transferred to Greenpanel Industries Limited and have ceased to be subsidiary of the Company.

Restatement of Financial Statements giving effect to the Composite Scheme of Arrangement

The Board of Directors of the Company at its meeting held on 30th May, 2019, had considered and approved the Audited Standalone as well as Consolidated financial statements of the Company for the year ended 31st March, 2019. However, subsequently, the Composite Scheme of Arrangement of the Company [Company Petition No.: C.P. (CAA) No. 02/GB/2019 connected with Company Application No.: CA (CAA) No. 09/GB/2018] was approved by the Hon'ble Guwahati Bench of National Company Law Tribunal, with an effective/ appointed date of 1st April, 2018, as defined in the Scheme itself. Considering the said Scheme being effective, the Board of Directors at its meeting held on 14th August, 2019 considered and approved the restated Audited Standalone as well as Consolidated financial statements for the year ended 31st March, 2019, after giving effect to the said Scheme.

Segment reporting as per IND AS 108 w.e.f 1st April, 2019

Till 31st March 2019, the Company used to present its business activities in three operating segments, namely: a) Plywood and allied products, b) Medium density fibreboards and allied products and c) Others (Wallpaper, Solid Surface, etc.). Effective from 1st April 2019, using the guidance note of Ind AS 108 on ‘Operating Segments’ with respect to review of operating results undertaken by the Chief Operating Decision Maker (CODM) at the Company level and after considering the effect of NCLT Order in respect of transfer of Medium Density Fiberboards and allied products segment and also the insignificant share of products- Wallpaper, solid surface, etc. in the Company's financial results, the Board of Directors was of the view that ‘Plywood and allied products’ represents more appropriately the Company's current business as single reportable segment. Accordingly, based on the recommendations of the Audit Committee and guidance of Ind AS 108 on ‘Operating segments’, the Board of Directors at their

Meeting held on 14th August 2019, have discussed and approved ‘Plywood and allied products’ as single reporting segment.

Subsidiaries and Joint Venture

Presently, your Company has two overseas wholly owned subsidiaries viz. (i) Greenply Holdings Pte. Ltd., Singapore, which is holding the investment in Greenply AlkemaI (Singapore) Pte. Ltd., Singapore. (ii) Greenply Middle East Limited, Dubai, UAE, which is managing, controlling and holding investment in Greenply Gabon SA, Gabon, West Africa and also engaged in general trading business.

Further, your Company has an overseas step-down wholly owned subsidiary viz. Greenply Gabon SA, Gabon, West Africa, (Subsidiary of Greenply Middle East Limited, Dubai, UAE) having manufacturing unit at Nkok SEZ in Gabon, West Africa. The same is engaged in the business of manufacturing and marketing of veneers.

Your Company also has one step-down overseas joint venture namely Greenply AlkemaI (Singapore) Pte. Ltd. (a joint venture company of Greenply Industries Limited, India through its wholly owned subsidiary Greenply Holdings Pte. Ltd., Singapore and AlkemaI Singapore Pvt. Ltd., Singapore) engaged in the business of trading and marketing of commercial veneers and panel products. Further, the joint venture company also control the Myanmar based company i.e. Greenply Industries (Myanmar) Pvt. Ltd., which is engaged in the business of manufacturing and trading of veneer and lumber.

The statement in form AOC-1 containing the salient features of the financial statements 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 is annexed to this Report.

Further, the contribution of Greenply Holdings Pte. Ltd., Singapore, Greenply Middle East Limited, Dubai, UAE, wholly owned subsidiaries and Greenply AlkemaI (Singapore) Pte. Ltd., Joint Venture Company to overall performance of the Company during the year under review is as mentioned below:

	Net assets (Total assets minus total liabilities)		Share in profit or loss	
	As % of consolidated net assets	₹ In lakhs	As % of consolidated profit or loss	₹ In lakhs
Holding company				
Greenply Industries Limited	98.85%	33,134.42	76.93%	6,129.22
Subsidiaries:				
Foreign				
Greenply Holdings Pte. Limited	0.03%	11.61	-0.16%	(12.87)
Greenply Middle East Limited ^	1.65%	554.39	17.03%	1,356.45
Joint Venture:				
Foreign				
Greenply AlkemaI (Singapore) Pte. Ltd.	-0.53%	(178.03)	6.20%	494.36
Non-controlling interests in all subsidiaries	0.00%	-	0.00%	-
At 31 March 2019	100.00%	33,522.39	100.00%	7,967.16

	Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated other comprehensive income	₹ In lakhs	As % of consolidated total comprehensive income	₹ In lakhs
Holding company				
Greenply Industries Limited	347.22%	382.26	80.62%	6,511.48
Subsidiaries:				
Foreign				
Greenply Holdings Pte. Limited	-105.13%	(115.74)	-1.60%	(128.61)
Greenply Middle East Limited ^	-142.09%	(156.43)	14.87%	1,200.02
Joint Venture:				
Foreign				
Greenply Alkema! (Singapore) Pte. Ltd.	0.00%	-	6.11%	494.36
Non-controlling interests in all subsidiaries	0.00%	-	0.00%	-
At 31 March 2019	100.00%	110.09	100.00%	8,077.25

^Includes a wholly owned step down subsidiary company – Greenply Gabon SA

Consolidated financial statements

For the period under review, the Company has consolidated the financial statements of its wholly owned subsidiaries viz. Greenply Holdings Pte. Ltd., Singapore and Greenply Middle East Limited, Dubai (UAE). 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 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 statements of subsidiary/ associate companies/joint venture in form AOC -1 is annexed to this Report.

Credit Rating

During the year "Credit Analysis and Research Ltd. (CARE)"and "India Ratings & Research" have re-affirmed our external credit rating for both long term and short term borrowings as detailed below:

Rating Agency	Instrument	Rating
CARE	Banking Facilities – Long Term	CARE AA- ; Credit watch with developing implications
CARE	Banking Facilities – Short Term	CARE A1+ ; Credit watch with developing implications
CARE	Short Term Debt (including Commercial Paper)	CARE A1+ ; Credit watch with developing implications
India Ratings & Research	Banking Facilities – Long Term	IND AA- / Rating Watch Evolving (RWE)
India Ratings & Research	Banking Facilities – Short Term	IND A1+ / Rating Watch Evolving (RWE)
India Ratings & Research	Short Term Debt (including Commercial Paper)	IND A1+ / Rating Watch Evolving (RWE)

Above credit 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 40% i.e. Re.0.40 per equity share (compared to previous year of 60% i.e.Re.0.60 per equity share of Re.1/-each) on the Company's 12,26,27,395 equity shares of Re.1/- each for financial year 2018-19. The final dividend on the equity shares, if approved as above, would involve an outflow of ₹490.51 lacs towards dividend and ₹100.83 lacs towards dividend distribution tax, resulting in a total outflow of ₹591.34 lacs.

The dividend payment is subject to approval of members at the ensuing Annual General Meeting. The dividend pay-out is in accordance with the Dividend

Distribution Policy of the Company adopted by the Board of Directors in their meeting held on July 25, 2016 and amended on 08.02.2019. The Dividend Distribution Policy of the Company is annexed to this Report and also uploaded on the website of the Company available at the weblink at http://www.greenply.com/images/pdf/Dividend_Distribution_Policy.pdf

Transfer to Reserves

No amount is proposed to be transferred to any Reserves.

Share Capital

During the year under review, there were no changes in the Share Capital of the Company.

Directors and Key Managerial Personnel

Consequent to receipt of the approval of Hon'ble

Guwahati Bench of National Company Law Tribunal ("NCLT") to the Composite Scheme of Arrangement under Section 230 to 232 read with Section 66 of the Companies Act, 2013 between Greenply Industries Limited ("Greenply") and Greenpanel Industries Limited ("Greenpanel") and their respective shareholders and creditors, for demerger of the Demerged Undertaking/ Transferred Business of Greenply as defined in the Scheme, into Greepanel with effect from April 01, 2018 (Appointed Date), Mr. Shiv Prakash Mittal, Executive Chairman, Mr. Shobhan Mittal, Joint Managing Director & CEO and Mr. Vishwanathan Venkatramani, Chief Financial Officer had given resignation from Greenply Industries Limited with effect from the close of the working hours of 18th July, 2019, to take up assignment in Greenpanel Industries Limited.

The Board of Directors of the Company at its meeting held on 14th August, 2019, subject to approval of the Shareholders at the general meeting, has approved the revision in remuneration including terms and conditions of appointment and also change in designation of Mr. Rajesh Mittal [DIN: 00240900] from Managing Director to Chairman cum Managing Director of the Company. Accordingly, subject to approval of the Shareholders at the general meeting, the designation of Mr. Rajesh Mittal was changed from Managing Director to Chairman cum Managing Director of the Company and his terms and conditions of appointment was revised from non-retiring to liable to retire by rotation. The same was recommended to the Board of Directors by the Nomination and Remuneration Committee at its meeting held on 14th August, 2019. The existing tenure of Mr. Rajesh Mittal will expire on 31st December, 2020. The detailed terms and conditions including remuneration have been mentioned in the Notice convening 29th Annual General Meeting. Further, the details of Mr. Rajesh Mittal as required under Listing Regulations and SS-2 have also been provided in the Corporate Governance Report and the Notice of 29th Annual General Meeting.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Rajesh Mittal [DIN: 00240900], Chairman cum Managing Director of the Company, will retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

Further, the Board of Directors of the Company at its meeting held on 14th August, 2019, subject to approval of the Shareholders at the general meeting, has approved the revision in remuneration, and change in designation of Mr. Sanidhya Mittal [DIN: 06579890] from Executive Director to Joint Managing Director. Accordingly, subject to approval of the Shareholders at the general meeting, the designation of Mr. Sanidhya Mittal was changed from Executive Director to Joint Managing Director. The same was recommended to the Board of Directors by the Nomination and Remuneration Committee at its meeting held on 14th August, 2019. The existing tenure of Mr. Sanidhya Mittal will expire on 6th February, 2023. The detailed terms and conditions

including remuneration have been mentioned in the Notice convening 29th Annual General Meeting. Further, the details of Mr. Sanidhya Mittal as required under Listing Regulations and SS-2 have also been provided in the Corporate Governance Report and the Notice of 29th Annual General Meeting.

The SEBI has come out with a Notification on 9th May, 2018 amending the existing Listing Regulations by issuing the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (hereinafter referred to as "New Regulations"). The New Regulations is effective from 1st April, 2019 unless any other specific date is provided for a specific Regulation. Regulation 17 is one of the provisions in which the amendments have been made by way of insertion of a new sub-regulation (1A) thereunder and the same is applicable with effect from 1st April, 2019. In terms of the said new sub-regulation, a person shall not be eligible to get appointed as a non-executive director or in case of an existing non-executive director, shall not be eligible to continue such directorship, if he/ she has attained the age of seventy five years unless the approval of the shareholders of the company is obtained by way of a special resolution. Considering the implication of such amendment, the same shall result in the immediate vacation of such directors as the restriction is not imposed only on the appointment but on the continuation of the existing tenure too. In view of the above, the Company is required to take approval from the shareholders by way of a special resolution beforehand so that the existing non-executive directors attaining such age can continue their proposed term of re-appointment. This is to inform that Mr. Susil Kumar Pal (DIN: 00268527) and Mr. Anupam Kumar Mukerji (DIN: 00396878) were appointed as Non-Executive Independent Directors by the Company in its Annual General Meeting held on 22nd August, 2014 for a period of five years from the said date till the Annual General Meeting to be held in 2019. Since Mr. Pal and Mr. Mukerji had already attained the specified age limit of 75 years, continuation of their directorship is required approval of shareholders by way of special resolutions. The Members of the Company at their 28th Annual General Meeting held on 28th August, 2018 approved continuation of the directorship of Mr. Susil Kumar Pal [DIN: 00268527] and Mr. Anupam Kumar Mukerji [DIN:00396878], Non-Executive Independent Directors of the Company, who had attained the age of 75 years, till the expiry of existing terms of their appointment i.e. upto conclusion of the forthcoming 29th Annual General Meeting. Keeping in view that the aforesaid directors possess requisite qualifications and also carry rich and varied experience in the industry in which the Company operates and also considering their independence it is desirable to continue to avail their services as Non-executive Independent Directors of the Company. Accordingly, the Board recommends their continuation in the Company for a further period of 5 years from the conclusion of the 29th Annual General Meeting in 2019 i.e. 30th September, 2019 The same was recommended to the Board of Directors by

the Nomination and Remuneration Committee at its meeting held on 14th August, 2019. Accordingly, the Board recommends their continuation in the Company.

The Members of the Company at their 24th Annual General Meeting held on 22.08.2014 re-appointed Mr. Susil Kumar Pal, Mr. Vinod Kumar Kothari, Mr. Upendra Nath Challu, Mr. Anupam Kumar Mukerji and Ms. Sonali Bhagwati Dalal, as Independent Directors of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years from the date of 24th Annual General Meeting up to the conclusion of the 29th Annual General Meeting of the Company in the calendar year 2019. Section 149 of the Companies Act, 2013, inter-alia, provides that an Independent Director shall hold office for a term up to five consecutive years on the Board of a company but shall be eligible for re-appointment on passing of a special resolution by the Company. Based on the evaluation report of the Independent Directors, the Company proposes to re-appoint said Independent Directors, for the further period of five consecutive years from the conclusion of the 29th Annual General Meeting i.e. 30th September, 2019. The same was recommended to the Board of Directors by the Nomination and Remuneration Committee at its meeting held on 14th August, 2019. The details of above Independent Directors as required under Listing Regulations and SS-2 have also been provided in the Corporate Governance Report and the Notice of 29th Annual General Meeting.

The Board of Directors of the Company at their meeting held on 14.08.2019, on the recommendation/approval of the Nomination and Remuneration Committee and Audit Committee, appointed Mr. Mukesh Agarwal, Chartered Accountant, as CFO of the Company w.e.f. 14.08.2019.

None of the Directors of your Company is disqualified under the provisions of Section 164(2)(a) & (b) of the Companies Act, 2013 and a certificate dated May 30, 2019 received from a Practising Company Secretary certifying that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority is annexed to the Corporate Governance Report.

Further, the name of Ms. Sonali Bhagwati Dalal, Independent Director of the Company was published by the Ministry of the Corporate Affairs (MCA) on its website in the list of directors disqualified under Section 164(2) of the Companies Act, 2013. Subsequently a petition was filed by her before the Hon'ble High Court of Delhi and the Hon'ble High Court of Delhi has stayed the impugned list of Disqualified Directors to the extent it includes her name. Further, to avail the Condonation of Delay Scheme (CODS), 2018, she has filed an appeal before the National Company Law Tribunal (NCLT) for revival of the concerned defaulting company. In view of the pendency of the said appeal before NCLT, the Hon'ble High Court of Delhi has vide its order dated

May 07, 2018 has extended the stay till disposal of the said appeal by MCA. Subject to compliance of certain conditions, the appeal was disposed off by the NCLT on 19.03.2019 by allowing the restoration of the name of the defaulting Company with Registrar of Companies due to which her name was published by the Ministry of the Corporate Affairs (MCA) on its website in the list of directors disqualified under Section 164(2) of the Companies Act, 2013. Compliances as advised by the NCLT have been completed.

Declaration by Independent directors

For the financial year 2018-19, all the Independent Directors of the Company have given their declarations to the Company that they meet the criteria of independence as provided in Section 149(7) read with Section 149(6) of the Companies Act, 2013 and Regulation 16 of Listing Regulations.

Meetings of the Board of Directors

Five (5) Board Meetings were held during the financial year ended 31st March, 2019. 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 Listing Regulations, the Board has carried out the annual performance evaluation of the Directors individually as well as evaluation of the working of the Board as a whole 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 ('Act, 2013') and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), a meeting of the Independent Directors ('IDs') of the Company was convened on Thursday, 7th February, 2019 to perform the following:

- review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;
- review the performance of non-independent directors and the Board as a whole;
- 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 result of review and evaluation of performance of Board, it's Committees and of individual Directors was

found to be satisfactory.

Familiarisation Programme

The details of the familiarisation programme undertaken during the year have been provided in the Corporate Governance Report along with the web link thereof.

Managerial Remuneration

As per the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any amendment thereof, the Company is required to disclose the following information in the Board's Report.

(a) ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2018-19;

Name	Designation	Ratio to median remuneration of employees
Mr. Rajesh Mittal	Chairman cum Managing Director	247.84
Mr. Sanidhya Mittal	Joint Managing Director	124.39
Mr. Susil Kumar Pal	Independent Director	6.38
Mr. Vinod Kumar Kothari	Independent Director	6.38
Mr. Anupam Kumar Mukerji	Independent Director	6.38
Ms. Sonali BhagwatiDalal	Independent Director	6.38
Mr. Upendra Nath Challu	Independent Director	6.38

(b) percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2018-19;

Name	Designation	% increase
Mr. Rajesh Mittal	Chairman cum Managing Director	-26.17%
Mr. Sanidhya Mittal	Joint Managing Director	115.13%
Mr. Susil Kumar Pal	Independent Director	0%
Mr. Vinod Kumar Kothari	Independent Director	0%
Mr. Anupam Kumar Mukerji	Independent Director	0%
Ms. Sonali Bhagwati Dalal	Independent Director	0%
Mr. Upendra Nath Challu	Independent Director	0%
Mr. Mukesh Agarwal	Chief Financial Officer (Appointed w.e.f. 14.08.2019)	N.A.
Mr. Kaushal Kumar Agarwal	Company Secretary & Vice President-Legal	8.66%

(c) percentage increase in the median remuneration of employees in the financial year 2018-19; -2.68% (non-Managerial personnel) -4.37% (Managerial Personnel)

7.41

(d) number of permanent employees on the rolls of Company;

2368

(e) 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;

(f) We hereby affirm that the remuneration paid to the Executives is as per the Remuneration Policy of the Company approved by the Board of Directors.

(g) Managing Directors and Whole-time Directors of the Company do not receive any commission from its subsidiary companies.

All elements of remuneration package as required under Listing Regulations have been provided in the Corporate Governance Report.

Statutory Auditors and their report

The Shareholders of the Company at their 27th Annual General Meeting held on 21.08.2017, approved

appointment of M/s. B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 101248W/W-100022) as the Statutory Auditors of the Company to hold office for a term of 5 (five) consecutive years i.e. from the conclusion of 27th Annual General Meeting, until the conclusion of the 32nd Annual General Meeting.

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, 2019 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 Board of Directors and reviewed by the Audit Committee from time to time. 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

Pursuant to the provisions of Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed M/s. Nidhi Bagri & Company, Practising Company Secretary (Membership No. ACS 24765/COP No.9590), Kolkata, to conduct Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report of M/s. Nidhi Bagri & Company, Practising Company Secretary, in Form MR-3, for the financial year ended 31st March, 2019, is annexed to this report.

Response to Secretarial Auditor's observation

It has been observed by the Secretarial Auditor that during the financial year 2018-19, though the Company has spent ₹445.61 lacs towards CSR activities (directly and through Trust- Greenply Foundation) during the year under review but the maximum amount was relating to earlier year(s) lying with the Trust and implementing agency(ies). Accordingly, the amount spent is less than the minimum allocation of CSR being 2% of the average net profit of last 3 financial years amounting to ₹379.59 lacs in total. In response to the same, our Company would like to submit that the total amount to be spent by the Company for the FY 2018-19 was ₹379.59 lacs. During the year under review, the Company has undertaken CSR activities directly and through its Trust namely GREENPLY FOUNDATION.

The total amount to be spent by the Company for the FY 2018-19 was ₹379.59 lacs. As against that the amount spent by the Company during the FY 2018-19 either directly or through Greenply Foundation amounted to ₹445.61 lacs (including brought forward unspent amount from previous years). Accordingly, the Company has exceeded its CSR spending during the FY 2018-19 against the requirement of Section 135 of the Companies Act, 2013 i.e. 2% of the average net profit of last 3 financial years. The Company had taken the decision to spend the carried over unspent amount of ₹296.66 lacs (net of liabilities of ₹0.98 lacs) lying with Trust and ₹1.39 lacs lying with Implementing Agencies as on 31.03.2018. Considering the carried over amount, the amount spent during FY 2018-19 is less than the minimum allocation of CSR being 2% of the average net profit of last 3 financial years amounting to ₹379.59 lacs in total. The Trust has also earned ₹10.33 lacs on temporary investment with Banks during FY 2018-19. The unutilized fund lying with the Trust as on 31.03.2019 amounting to ₹205.88 lacs (net of liabilities of ₹0.17 lacs) and the amount of ₹37.49 lacs lying with Implementing Agencies will be used for CSR activities along with fresh funding, if any, from the Company, during FY 2019-20. 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.

Audit Committee

As on 31st March, 2019, the Company's Audit Committee comprises of 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, reports of Internal Auditors, compliance of various regulations and evaluates the internal financial controls and risk management system of the Company. 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 and other details have been provided in the Corporate Governance Report.

Vigil mechanism

In pursuance to the provisions of section 177(9) & (10) of the Companies Act, 2013, erstwhile equity listing agreement and Regulation 22 of the Listing Regulations, 'Whistle Blower Policy' to establish vigil mechanism for directors and employees to report genuine concerns had been framed and implemented. This policy provides a process to disclose information, confidentially and without fear of victimization, where there is reason to believe that there has been serious malpractice, fraud, impropriety, abuse or wrong doing within the Company. The policy safeguards the whistle blowers to report concerns or grievances and also

provides a direct access to the Chairman of the Audit Committee. During the year under review, none of the personnel has been denied access to the Chairman of the Audit Committee. The policy has been uploaded on the website of the Company and is available at the weblink at http://www.greenply.com/images/pdf/Vigil_Mechanism_Policy_1.pdf

Nomination and Remuneration Committee

As on 31st March, 2019, the Company's Nomination and Remuneration Committee comprises of 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 is uploaded on the website of the Company. The weblink is http://www.greenply.com/images/pdf/Remuneration_policy.pdf. The terms of reference and other details 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 creates 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 framing the aforesaid Remuneration Policy, the Nomination and Remuneration Committee ensures that a competitive remuneration package for all Executives is maintained and is also benchmarked with other multinational 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 said Policy.

The assessment for Functional Heads are 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.

Stakeholders Relationship Committee

As on 31st March, 2019, the Stakeholders Relationship Committee comprises two executive 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 and other details of the Committee has been provided in the Corporate Governance Report.

Risk Management Policy

The Company has a Risk Management system for identification and mitigation of various risks. On the basis of risk assessment criteria, your Company has identified risks as minor/moderate/important/material or severe depending on their impact on turnover, profit after tax and return on capital employed. A risk library wherein the Company has allotted scores to the risks based on risk significance and risk likelihood. On the basis of risk scores the Company has identified few material risks for the organization. The risks scores were initially done at the level of Operational Heads of Finance & Accounts, Sales, Production and HR and finally assessment was done based on scores given by an internal committee of the Company. However, the risks are dynamic and the Company will be adding new risks and removing some of the existing risks as and when the Company develop solutions for the existing risks. Accordingly, the Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. The Audit Committee of the Board evaluating risks management system of the company on quarterly basis.

Extract of the annual return

The extract of Annual Return, as at the Financial Year ended March 31, 2019, as required under section 134(3) (a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 in Form No. MGT-9, is annexed to this Report. The same will be available on the website of the Company i.e. <http://www.greenply.com/investors> as a part of the Annual Report.

Material changes and commitments

Except as disclosed elsewhere in this Report, 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, 2019 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 except as disclosed in this report.

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 has been passed by any Regulator/Court/Tribunals impacting the going concern status and the Company's operations in future.

Internal financial controls

The Directors had laid down Internal Financial Controls procedures to be followed by the Company which ensure compliance with various policies, practices and statutes in keeping with the organization's pace of growth and increasing complexity of operations for orderly and efficient conduct of its business. The Audit

Committee of the Board, from time to time, evaluated the adequacy and effectiveness of internal financial control of the Company with regard to:

1. 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 authorization.
2. 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 and the timely preparation of reliable financial information.
3. 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.
4. The existing assets of the Company are verified/checked at reasonable intervals and appropriate action is taken with respect to any differences, if any.
5. Proper systems are in place for prevention and detection of frauds and errors and for ensuring adherence to the Company's policies.

Further, the certificate from Chairman cum Managing Director and Chief Financial Officer, in terms of Regulation 17(8) of the SEBI Listing Regulations, provided in this Annual Report, also certifies the adequacy of our Internal Control systems and procedures.

Insurance

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

Particulars of loans/advances/investments as required under Schedule V of the Listing Regulations

The details of related party disclosures with respect to loans/advances/investments at the year end and maximum outstanding amount thereof during the year as required under Part A of Schedule V of the Listing Regulations have been provided in the notes to the Financial Statements of the Company. Further, there was no transaction with person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company as per Para 2A of the aforesaid Schedule.

Loans/advances, guarantee and investments under Section 186 of the Companies Act, 2013

Details of loans/advances 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.

Public Deposits

During the financial year 2018-19, the Company did not invite or accept any deposits from the public under the Companies Act, 2013.

Listing of shares

The Equity Shares of the Company are listed on the BSE Limited (BSE) with scrip code No. 526797 and on National Stock Exchange of India Limited (NSE) with scrip symbol GREENPLY. The Company confirms that the annual listing fees to both the stock exchanges for the financial year 2019-20 have been duly paid.

Related party transactions

There are no materially significant related party transactions made by the Company which may have potential conflict with the interest of the Company. Related party transactions that were entered into during the year under review were on arm's length basis and were in ordinary course of business. The Particulars of material related party transaction, if any, is provided in Form AOC-2 as required under section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014. Further, suitable disclosure as required by the Accounting Standards (Ind AS 24) has been made in the notes to the Financial Statements.

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 Regulations is as under: http://www.greenply.com/images/pdf/Related_Party_Transactions_Policy.pdf

Corporate Governance

Your Company is committed to observe good Corporate Governance practices. The report on Corporate Governance for the financial year ended March 31, 2019, as per Regulation 34(3) read with Schedule V of the Listing Regulations forms part of this Annual Report and annexed to this Report. The requisite certificate from Statutory Auditors, M/s. B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 101248W/W-100022) confirming compliance with the conditions of corporate governance, is attached to this Annual Report.

Management Discussion and Analysis Report

The Report on Management Discussion and Analysis Report in terms of Regulation 34, read with Schedule V of the Listing Regulations, forms part of this Annual Report and is annexed to 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.

Further, the Company has complied with the provisions relating to constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No complaint was filed under Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 during the year under review.

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

The particulars related to the conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed to this Report.

Corporate Social Responsibility

As on 31st March, 2019, the Corporate Social Responsibility Committee (CSR Committee) comprises two executive Promoter Directors viz. Mr. Rajesh Mittal and Mr. Shobhan Mittal and two Non-Executive Independent Directors viz. Mr. Vinod Kumar Kothari and Mr. Upendra Nath Challu. The terms of reference of the Committee has been provided in the Corporate Governance Report. CSR Committee has formulated a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has also been approved by the Board. The CSR Policy may be accessed on the Company's website at the link <http://www.greenply.com/images/pdf/Corporate-Social-Responsibility-Policy.pdf>

Further, the CSR activities carried out during the Financial Year ended 31st March, 2019 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(3)(c) and Section 134(5) of the Companies Act, 2013, your directors state that:

- (i) in preparation of the Annual Accounts for the financial year ended March 31, 2019, the applicable

Accounting Standards have been followed along with proper explanation relating to material departures;

- (ii) the Directors had selected such Accounting Policies as listed in the Financial Statements 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 as on March 31, 2019 and of the profits 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 the Companies Act, 2013 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 have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (vi) 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.

CEO and CFO certification

Pursuant to the Listing Regulations, the Chairman cum Managing Director and CFO certification is attached with the Annual Report. The Chairman cum Managing Director and the Chief Financial Officer also provide quarterly certification on financial results while placing the financial results before the Board in terms of the Listing Regulations.

Code of Conduct for Directors and senior management personnel

The Code of Conduct for Directors and Senior Management Personnel is posted on the Company's website. The Chairman cum Managing Director 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, 2019. Declaration is attached with the annual report.

Disclosure regarding compliance of applicable Secretarial Standards

The company has complied with all the mandatorily applicable secretarial standards issued by The Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

Corporate Governance and Compliance certificate regarding compliance of conditions of Corporate Governance

A detailed Report on Corporate Governance for the financial year 2018-19, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the certificate received from M/s. B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 101248W/W-100022), Statutory Auditors of the Company, to the effect of compliance of conditions of Corporate Governance as required under Schedule V of the Listing Regulations are annexed with the Report.

Business Responsibility Report

The Business Responsibility Report, describing the initiatives taken by the Company during the period under review from an environmental, social and governance perspective, has been annexed to this Report.

Fraud Reporting

There was no fraud reported by the Auditors of the Company under sub-section (12) of section 143 of the Companies Act, 2013, to the Audit Committee or the Board of Directors during the year under review.

Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account

The relevant details in this regard have been provided in the Corporate Governance Report annexed to this 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. The Directors also place on record their heartfelt appreciation for the commitment and dedication of the employees of the Company across all the levels who have contributed to the growth and sustained success of the Company.

For and on behalf of the Board of Directors

Rajesh Mittal

Chairman cum Managing Director

DIN: 00240900

Place: Kolkata

Date: August 14, 2019

Form AOC-1

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 Holdings Pte. Ltd., Singapore
2.	Reporting period for the subsidiary	01.04.2018 - 31.03.2019
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year	USD / INR = 69.11
4.	Share Capital	2626.18
5.	Reserves & Surplus	-165.95
6.	Total Assets	2462.78
7.	Total Liabilities	2.55
8.	Investments*	2448.53
9.	Turnover	NIL
10.	Profit / (Loss) before taxation (including Other Comprehensive Income)	-155.80
11.	Provision for taxation	-
12.	Profit / (Loss) after taxation (including Other Comprehensive Income)	-155.80
13.	Proposed Dividend	NIL
14.	% of shareholding	100%

*Including ₹ 494.36 Lacs towards share of profit/(loss) from investment in the Joint Venture Company, Greenply Alkermal (Singapore) Pte. Ltd., Singapore

Part "A": Subsidiaries		₹ in Lacs
1.	Name of the subsidiary	Greenply Middle East Ltd., Dubai, UAE
2.	Reporting period for the subsidiary	01.04.2018 - 31.03.2019
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year	USD / INR = 69.11
4.	Share Capital	1883.11
5.	Reserves & Surplus	-426.28
6.	Total Assets	8502.39
7.	Total Liabilities	9395.30
8.	Investments	2349.73
9.	Turnover	11809.96
10.	Profit / (Loss) before taxation (including Other Comprehensive Income)	119.33
11.	Provision for taxation	-
12.	Profit / (Loss) after taxation (including Other Comprehensive Income)	119.33
13.	Proposed Dividend	Nil
14.	% of shareholding	100%

Part "A": Subsidiaries		₹ in Lacs
1.	Name of the subsidiary	Greenply Gabon SA, Gabon
2.	Reporting period for the subsidiary	01.04.2018 - 31.03.2019
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year	USD / INR = 69.11
4.	Share Capital	2362.74
5.	Reserves & Surplus	1006.66
6.	Total Assets	13284.11
7.	Total Liabilities	9914.72
8.	Investments	0.00
9.	Turnover	14872.40

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil

2. Details of material contracts or arrangement or transactions: Nil

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangement/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

For and on behalf of the Board of Directors

Rajesh Mittal

Chairman cum Managing Director
(DIN: 00240900)

Sanidhya Mittal

Joint Managing Director
(DIN: 06579890)

Mukesh Agarwal

Chief Financial Officer

Kaushal Kumar Agarwal

Company Secretary & Vice President-Legal

Place: Kolkata

Date: August 14, 2019

Part "A": Subsidiaries		₹ in Lacs
10.	Profit / (Loss) before taxation (including Other Comprehensive Income)	1211.84
11.	Provision for taxation	0.00
12.	Profit / (Loss) after taxation (including Other Comprehensive Income)	1211.84
13.	Proposed Dividend	NIL
14.	% of shareholding	100%

Notes:

1. Names of subsidiaries which are yet to commence operations - Nil

2. Names of subsidiaries which have been liquidated or sold during the year - Greenpanel Industries Limited & Greenpanel Singapore Pte. Ltd. (Formerly Known as Greenply Trading Pte. Ltd.) pursuant to the Composite Scheme of Arrangement between Greenply Industries Limited and Greenpanel Industries Limited

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

Part "B": Associates and Joint Ventures (JV)		
1.	Name of Joint Venture	Greenply Alkema (Singapore) Pte. Ltd., Singapore
2.	Latest audited Balance Sheet Date	31.03.2019
3.	Shares of Associate/Joint Venture held by the Company on the year end	The Company has no direct shareholding in the JV. It holds through its Wholly Owned Subsidiary i.e. Greenply Holdings Pte. Ltd., Singapore
a.	Number of Shares	37,50,000 ordinary shares of USD 1 each
b.	Amount of Investment in Associate/Joint Venture	USD 37,50,000
c.	Extend of Holding %	50% through Greenply Holdings 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 Holdings Pte. Ltd., which has accounted for its share of profit in the Joint venture company.
6.	Net worth attributable to Shareholding as per latest audited Balance Sheet	₹4,447.59 lacs
7.	Profit / (Loss) for the year (including Other Comprehensive Income)	
i.	Considered in Consolidation	₹2,223.80 lacs
ii.	Not Considered in Consolidation	₹2,223.80 lacs

Notes:

1. Names of associates or joint ventures which are yet to commence operations - N.A.

2. Names of associates or joint ventures which have been liquidated or sold during the year - N.A.

For and on behalf of the Board of Directors

Rajesh Mittal

Chairman cum Managing Director
(DIN: 00240900)

Sanidhya Mittal

Joint Managing Director
(DIN: 06579890)

Mukesh Agarwal

Chief Financial Officer

Kaushal Kumar Agarwal

Company Secretary & Vice President-Legal

Place: Kolkata

Date: August 14, 2019

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Greenply Industries Limited having CIN L20211AS1990PLC003484 and having registered office at Makum Road, Tinsukia, Assam-786125 (hereinafter referred to as the 'Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Shiv Prakash Mittal, Executive Chairman	00237242	29.07.1991
2.	Mr. Rajesh Mittal, Managing Director	00240900	28.11.1990
3.	Mr. Shobhan Mittal, Joint Managing Director & CEO	00347517	08.08.2006
4.	Mr. Sanidhya Mittal, Executive Director	06579890	07.02.2018
5.	Mr. Susil Kumar Pal, Independent Director	00268527	06.12.2005
6.	Mr. Vinod Kumar Kothari, Independent Director	00050850	31.05.2006
7.	Mr. Anupam Kumar Mukerji, Independent Director	00396878	8.08.2006
8.	Ms. Sonali Bhagwati Dalal, Independent Director	01105028	11.07.2007
9.	Mr. Upendra Nath Challu, Independent Director	05214065	31.08.2012

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

Thanking you,

For **Nidhi Bagri & Company**
(Practising Company Secretary)

(**Nidhi Bagri**)
Proprietor
ACS No. 24765
C.P.No. 9590

Date: May 30, 2019

Place: Kolkata

MR-3 SECRETARIAL AUDIT REPORT

FOR THE PERIOD FROM APRIL 1, 2018 TO MARCH 31, 2019

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

To
The Members
Greenply Industries Limited
Makum Road
Tinsukia
Assam-786 125

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, that is to say, from April 01, 2018 to March 31, 2019 (hereinafter referred to as "*Audit Period*"), 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, 2019 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;
- Secretarial Standards 1 and 2 issued by ICSI;
- The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- The Depositories Act, 2018 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; (**FEMA**)
- 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, 2015;
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - 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; and
 - The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI LODR")

7. Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:
 - a) Environment Protection Act, 1986
 - b) The Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008
 - c) The Water (Prevention & Control of Pollution) Act, 1974 and Rules made thereunder
 - d) The Air (Prevention & Control of Pollution) Act, 1981
 - e) The Legal Metrology Act, 2009
 - f) Intellectual Property Acts
 - g) Foreign Trade Development and Regulation Act, 1992
 - h) Customs Act, 1962
 - i) Indian Boilers Act, 1923
 - j) Indian Forest Act read with State Rules.
 - k) Bureau of Indian Standards Act, 1986

The Company has further confirmed that during the period under review they have not contravened any of the provisions of the above specific laws and had obtained all the requisites registrations, permits and licenses except in some units where few licenses are under process of renewal.

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. *Though the Company has spent ₹445.61 lacs towards CSR activities (directly and through Trust- Greenply Foundation) during the year under review but the maximum amount was relating to earlier year(s) lying with the Trust and implementing agency(ies). Accordingly, the amount spent is less than the minimum allocation of CSR being 2% of the average net profit of last 3 financial years amounting to ₹379.59 lacs in total.*

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Director and Independent directors.
2. Adequate notice is given to all directors for 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.
3. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
4. We have not found any material event during the year under review which has major bearing on the Company's affairs in pursuance of any of the laws, rules, regulations or guidelines covered by this audit except as follows:
 - a. **Composite Scheme of Arrangement under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 between Greenply Industries Limited and Greenpanel Industries Limited and their respective Shareholders and Creditors for demerger of Demerged Undertaking of Greenply Industries Limited into Greenpanel Industries Limited**

The Board at its meeting held on 20.03.2018 had discussed and explored an option to de-merge the Company's MDF Division into a WOS i.e. Greenpanel Industries Limited. Accordingly, M/s. Edelweiss Financial Services Limited as a Merchant Banker and M/s. Nishith Desai Associates as a Legal Advisor/Law Firm were appointed to advice on the same.

On 30.05.2018, the Board, after discussing the rationale of the Scheme, report on the share entitlement ratio, fairness opinion, undertaking in accordance with Paragraph I(A)(9)(c) of Annexure I of the SEBI Circular No. CFD/DIL3/ CIR/2017/21 dated 10.03.2017, along with the draft auditor's certificates certifying the said undertaking and the accounting treatment under the Scheme and other related factors and on recommendation of AC, has approved the draft Composite Scheme of Arrangement ("Scheme") between Greenply Industries Limited ("the Company") and Greenpanel Industries Limited ("Greenpanel"), a wholly owned subsidiary of the Company, to demerge the Medium Density Fiberboards and allied products business of Chittoor unit, Andhra Pradesh and Medium Density

Fiberboards, Plywood and allied products business of Pantnagar unit, Uttarakhand, branches/administrative and marketing offices of the above respective businesses of the Company ("the transferred business") into Greenpanel, subject to necessary approvals from the concerned authorities, with effect from 1 April 2018 as the Appointed Date. The Scheme proposes share entitlement ratio of 1:1 i.e. 1 (One) equity share of Re.1.00 (Rupee one only) each in Greenpanel, credited as fully paid up for every 1 (One) equity share of Re.1.00 (Rupee one only) each held by the shareholders of the Company as on Record Date, as recommended by M/s. S. P. Shaw & Co., Chartered Accountants, Kolkata and certified as fair by M/s. Edelweiss Financial Services Limited, Merchant Bankers, Mumbai,

On 4 February, 2019, the shareholders and creditors of the Company have approved the Scheme in separate meetings of shareholders and creditors respectively, convened by the National Company Law Tribunal (NCLT). Necessary Petition for the approval of the Scheme has been filed with NCLT. The Company is taking necessary steps in this regard.

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.

Our Secretarial Audit Report for the financial year ended 31st March, 2019 of even date is to be read along with the annexure to this letter.

Thanking you,

For **Nidhi Bagri & Company**
(Practising Company Secretary)

(Nidhi Bagri)
Proprietor
ACS No. 24765
C.P.No. 9590

Date: May 18, 2019
Place: Kolkata

ANNEXURE TO SECRETARIAL AUDIT REPORT

To
The Members
Greenply Industries Limited
Makum Road
Tinsukia
Assam-786 125

Our Secretarial Audit Report for the financial year ended 31st March, 2019 of even date is to be read along with this letter.

- 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.
- 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.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 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.
- 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**
(Practising Company Secretary)

(Nidhi Bagri)
ACS No. 24765
CP. No. 9590
Date: May 18, 2019
Place: Kolkata

Form No. MGT-9 EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2019
[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:

- CIN: L20211AS1990PLC003484
- Registration Date: 28.11.1990
- Name of the Company: GREENPLY INDUSTRIES LIMITED
- Category/Sub-Category of the Company: PUBLIC COMPANY LIMITED BY SHARES
- Address of the registered office and contact details: MAKUM ROAD, TINSUKIA, ASSAM- 786125,
PHONE: (033) 30515000, FAX: (033) 3051 5010
- Whether listed company ☒ Yes / ☐ No
- 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

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	98.27

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.,* #14-06, One George Street, Singapore – 049145	201323926C	SUBSIDIARY	100 %	2(87)(i)&(ii) OF THE COMPANIES ACT, 2013
2	GREENPLY ALKEMAL (SINGAPORE) PTE. LTD., 3, Shenton Way, #12-01A Shenton House Singapore – 068805	201413887Z	ASSOCIATE (JOINT VENTURE COMPANY)	50 % INVESTMENT THROUGH GREENPLY HOLDINGS PTE. LTD., SINGAPORE	2(6) OF THE COMPANIES ACT, 2013
3	GREENPLY HOLDINGS PTE. LTD., 3, Shenton Way, #12-01A Shenton House, Singapore – 068805	201616966N	SUBSIDIARY	100 %	2(87)(i)&(ii) OF THE COMPANIES ACT, 2013
4	GREENPLY MIDDLE EAST LIMITED, 409, City Tower 1, Sheikh Zayed Road, P.O. Box 118767, Dubai, United Arab Emirates	181478	SUBSIDIARY	100 %	2(87)(i)&(ii) OF THE COMPANIES ACT, 2013

Sl. No.	Name and Address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable section
5	GREENPLY GABON SA, Parcel C-13, NKOK SEZ, BP 1024, Libreville, Gabon	004-24628GU1	STEP DOWN SUBSIDIARY	100% THROUGH Greenply Middle East Limited, Dubai, UAE	2(87)(i)&(ii) OF THE COMPANIES ACT, 2013
6.	GREENPANEL INDUSTRIES LTD.,* Makum Road, Tinsukia, Assam - 786 125	U20100AS2017PLC018272	SUBSIDIARY	100 %	2(87)(i)&(ii) OF THE COMPANIES ACT, 2013

* Pursuant to the Composite Scheme of Arrangement between Greenply Industries Limited and Greenpanel Industries Limited, Greenpanel Singapore Pte. Ltd. (Formerly Known as Greenply Trading Pte. Ltd.) and Greenpanel Industries Limited have ceased to be a subsidiary of the Company.

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 year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters (1) Indian									
a)Individual/HUF	17457180	0	17457180	14.24	17457180	0	17457180	14.24	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.	45117820	0	45117820	36.79	45117820	0	45117820	36.79	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
Sub-total (A) (1):-	62575000	0	62575000	51.03	62575000	0	62575000	51.03	0.00
(2) Foreign									
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
Sub-total (A) (2):-	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A) = (A) (1)+(A)(2)	62575000	0	62575000	51.03	62575000	0	62575000	51.03	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	23657136	0	23657136	19.29	25013511	0	25013511	20.40	1.11
b) Banks / FI	31544	0	31544	0.03	135779	0	135779	0.11	0.08
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	0	0	0	0.00	0	0	0	0.00	0.00
h)Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i)Others : Foreign Portfolio Investors	14338490	0	14338490	11.69	13370565	0	13370565	10.90	(0.79)
Sub-total (B)(1):-	38027170	0	38027170	31.01	38519855	0	38519855	31.41	0.40
2.Non-Institutions									
a) Bodies Corp.									
i) Indian	4690256	8000	4698256	3.83	1926406	8000	1934406	1.58	(2.25)
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									

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 year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Individual shareholders holding nominal share capital upto ₹1 lakh	7868357	70265	7938622	6.47	9104299	64860	9169159	7.48	1.01
ii) Individual shareholders holding nominal share capital in excess of ₹1lakh	5152171	0	5152171	4.20	5926070	0	5926070	4.83	0.63
c) Others (specify)									
NRI	406155	0	406155	0.33	635760	0	635760	0.52	0.19
FCB	0	0	0	0.00	0	0	0	0.00	0.00
Clearing Members	151941	0	151941	0.12	189065	0	189065	0.15	0.03
Trust	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Companies	3639875	0	3639875	2.97	3639875	0	3639875	2.97	0.00
Greenply Industries Limited-Unclaimed Suspense Account	8020	0	8020	0.01	8020	0	8020	0.01	0.00
IEPF	30185	0	30185	0.02	30185	0	30185	0.02	0.00
Sub-total (B)(2):-	21946960	78265	22025225	17.96	21459680	72860	21532540	17.56	(0.40)
Total Public Shareholding (B)=(B) (1)+(B)(2)	59974130	78265	60052395	48.97	59979535	72860	60052395	48.97	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	122549130	78265	122627395	100.00	122554535	72860	122627395	100.00	0.00

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	3079900	2.51	0.00	3079900	2.51	0.00	0.00
2.	SHOBHAN MITTAL	739000	0.60	0.00	739000	0.60	0.00	0.00
3.	SHIV PRAKASH MITTAL AND SHOBHAN MITTAL ON BEHALF OF TRADE COMBINES, PARTNERSHIP FIRM	11702380	9.54	0.00	11702380	9.54	0.00	0.00
4.	SANIDHYA MITTAL	90000	0.07	0.00	90000	0.07	0.00	0.00
5.	SANTOSH MITTAL	1165900	0.95	0.00	1165900	0.95	0.00	0.00
6.	KARUNA MITTAL	680000	0.55	0.00	680000	0.55	0.00	0.00
7.	PRIME HOLDINGS PVT. LTD.	12042800	9.82	0.00	12042800	9.82	0.00	0.00
8.	S. M. MANAGEMENT PVT. LTD.	31626965	25.79	0.00	31626965	25.79	0.00	0.00
9.	VANASHREE PROPERTIES PVT. LTD.	1448055	1.18	0.00	1448055	1.18	0.00	0.00
10.	SHIV PRAKASH MITTAL	0	0.00	0.00	0	0.00	0.00	0.00
11.	CHITWAN MITTAL	0	0.00	0.00	0	0.00	0.00	0.00
12.	MASTER ADITYA MITTAL	0	0.00	0.00	0	0.00	0.00	0.00
13.	EDUCATIONAL INNOVATIONS PVT. LTD.	0	0.00	0.00	0	0.00	0.00	0.00
14.	NIRANJAN INFRASTRUCTURE PVT. LTD.	0	0.00	0.00	0	0.00	0.00	0.00
15.	RS HOMCON LIMITED	0	0.00	0.00	0	0.00	0.00	0.00
16.	R. M. SAFEINVEST PVT. LTD.*	0	0.00	0.00	0	0.00	0.00	0.00
17.	SHOWAN INVESTMENT PVT. LTD.	0	0.00	0.00	0	0.00	0.00	0.00
18.	BRJBHUMI MERCHANTS PVT. LTD.	0	0.00	0.00	0	0.00	0.00	0.00
19.	BRJBHUMI TRADEVIN PVT. LTD.	0	0.00	0.00	0	0.00	0.00	0.00
20.	MASTERMIND SHOPPERS PVT. LTD.	0	0.00	0.00	0	0.00	0.00	0.00
21.	DHOLKA PLYWOOD INDUSTRIES PVT. LTD.	0	0.00	0.00	0	0.00	0.00	0.00
22.	MITTALGREEN PLANTATIONS LLP	0	0.00	0.00	0	0.00	0.00	0.00
23.	RAJESH MITTAL & SONS, HUF	0	0.00	0.00	0	0.00	0.00	0.00
24.	BLUESKY PROJECTS PVT. LTD.	0	0.00	0.00	0	0.00	0.00	0.00
25.	TRADE COMBINES PTE. LTD., INCORPORATED IN SINGAPORE	0	0.00	0.00	0	0.00	0.00	0.00
26.	RKS FAMILY FOUNDATION	0	0.00	0.00	0	0.00	0.00	0.00
	Total	62575000	51.03	0.00	62575000	51.03	0.00	0.00

* Ceased to be part of Promoter and Promoter Group

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

Sl. No.		Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	62575000 Equity shares of Re.1/- each	51.03%	-	-
	Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/bonus/sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	62575000 Equity shares of Re.1/- each	51.03%

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

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	JWALAMUKHI INVESTMENT HOLDINGS				
	At the beginning of the year	11884420	9.69	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc.):	-96700 (01.03.2019- sale)	-0.08	11787720	9.61
	At the end of the year (or on the date of separation, if separated during the year)	-	-	11787720	9.61

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2.	HDFC TRUSTEE COMPANY LIMITED				
	At the beginning of the year	10260455	8.37	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc.):	45000 (26.10.18- Purchase) -2778455 (14.12.18 - Sale) 2868455 (21.12.18 - Purchase) 30000 (28.12.18- Purchase)	0.04 -2.27 2.34 0.02	10305455 7527000 10395455 10425455	8.40 6.14 8.48 8.50
	At the end of the year (or on the date of separation, if separated during the year)	-	-	10425455	8.50

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3.	SBI FMCG FUND				
	At the beginning of the year	7699860	6.28	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc.):	-100000 (06.04.18-sale) -75000 (20.04.18 - sale) -750000 (11.05.18 - Sale) -124301 (01.06.18 - Sale) -680328 (08.06.18 - Sale) -14000 (22.06.18 - Sale) -61500 (06.07.18 - Sale) -212500 (13.07.18 - Sale) -49014 (03.08.18 - Sale) -941651 (10.08.18 - Sale) -194208 (31.08.18 - Sale) -62413 (14.09.18 - Sale) -49543 (21.09.18 - Sale) 41000 (12.10.18 - Purchase) 522566 (26.10.18 - Purchase) 381553 (16.11.18 - Purchase) -4003177 (14.12.18 - Sale) 4003177 (21.12.18 - Purchase)	-0.08 -0.06 -0.61 -0.11 -0.55 -0.01 -0.05 -0.17 -0.04 -0.77 -0.16 -0.05 -0.04 0.03 0.43 0.31 -3.26 3.26	7599860 7524860 6774860 6650559 5970231 5956231 5894731 5682231 5633217 4691566 4497358 4434945 4385402 4426402 4948968 5330521 1327344 5330521	6.20 6.14 5.53 5.42 4.87 4.86 4.81 4.64 4.60 3.83 3.67 3.62 3.58 3.61 4.04 4.35 1.09 4.35
	At the end of the year (or on the date of separation, if separated during the year)	-	-	5330521	4.35

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4.	IDFC STERLING EQUITY FUND				
	At the beginning of the year	1283173	1.04	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc.):				
		46567	0.04	1329740	1.08
	(06.04.18 - Purchase)				
		10260	0.01	1340000	1.09
	(13.04.18 - Purchase)				
		10000	0.01	1350000	1.10
	(27.04.18 - Purchase)				
		10000	0.01	1360000	1.11
	(04.05.18 - Purchase)				
		20000	0.02	1380000	1.13
	(11.05.18 - Purchase)				
		10000	0.01	1390000	1.14
	(18.05.18 - Purchase)				
		38606	0.03	1428606	1.17
	(25.05.18 - Purchase)				
		11394	0.01	1440000	1.18
	(01.06.18 - Purchase)				
		50000	0.04	1440000	1.22
	(08.06.18 - Purchase)				
		35000	0.03	1525000	1.25
	(15.06.18 - Purchase)				
		25000	0.02	1550000	1.27
	(22.06.18 - Purchase)				
		500000	0.41	2050000	1.68
	(13.07.18 - Purchase)				
		30000	0.02	2080000	1.70
	(28.09.18 - Purchase)				
		20000	0.02	2100000	1.72
	(05.10.18 - Purchase)				
		84587	0.07	2184587	1.79
	(19.10.18 - Purchase)				
		299217	0.24	2483804	2.03
	(26.10.18 - Purchase)				
		216196	0.18	2700000	2.21
	(23.11.18 - Purchase)				
		143753	0.12	2843753	2.33
	(30.11.18 - Purchase)				
		306247	0.25	3150000	2.58
	(07.12.18 - Purchase)				
		-1025000	-0.84	2125000	1.74
	(14.12.18 - Sale)				
		1325000	1.08	3450000	2.82
	(21.12.18 - Purchase)				

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
		75000	0.06	3525000	2.88
	(28.12.18 - Purchase)				
		50000	0.04	3575000	2.92
	(04.01.19 - Purchase)				
		50000	0.04	3625000	2.96
	(11.01.19 - Purchase)				
		60000	0.05	3685000	3.01
	(18.01.19 - Purchase)				
		40000	0.03	3725000	3.04
	(25.01.19 - Purchase)				
		10000	0.01	3735000	3.05
	(01.02.19 - Purchase)				
		94065	0.08	3829065	3.13
	(08.02.19 - Purchase)				
		40935	0.03	3870000	3.16
	(15.02.19 - Purchase)				
		5000	0.01	3875000	3.17
	(01.03.19 - Purchase)				
		55000	0.04	3930000	3.21
	(22.03.19 - Purchase)				
		60000	0.05	3990000	3.26
	(29.03.19 - Purchase)				
	At the end of the year (or on the date of separation, if separated during the year)	-	-	3990000	3.26

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
5.	TATA YOUNG CITIZENS FUND	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc.):				
		775000		775000	0.63
		(11.05.18 - Purchase)	0.63		
		60000		835000	0.68
		(18.05.18 - Purchase)	0.05		
		40000		875000	0.71
		(25.05.18 - Purchase)	0.03		
		363000		1238000	1.01
		(01.06.18 - Purchase)	0.30		
		76000		1314000	1.07
		(08.06.18 - Purchase)	0.06		
		536000		1850000	1.51
		(15.06.18 - Purchase)	0.44		
		64000		1914000	1.56
		(29.06.18 - Purchase)	0.05		
		61500		1975500	1.61
		(06.07.18 - Purchase)	0.05		
		320000		2295500	1.87
		(13.07.18 - Purchase)	0.26		
		70000		2365500	1.93
		(20.07.18 - Purchase)	0.06		
		101400		2466900	2.01
		(27.07.18 - Purchase)	0.08		
		880000		3346900	2.73
		(10.08.18 - Purchase)	0.72		
		190000		3536900	2.88
		(31.08.18 - Purchase)	0.15		
		9000		3545900	2.89
		(23.11.18 - Purchase)	0.01		
		205500		3751400	3.06
		(07.12.18 - Purchase)	0.17		
		-3567400	-2.91		
		(14.12.18 - Sale)		184000	0.15
		3667400	2.99		
		(21.12.18 - Purchase)		3851400	3.14
		10000	0.01		
		(25.01.19 - Purchase)		3861400	3.15
	At the end of the year (or on the date of separation, if separated during the year)	-	-	3861400	3.15

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6.	WESTBRIDGE CROSSOVER FUND, LLC				
	At the beginning of the year	3639875	2.97	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/sweat equity etc.):	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	-	-	3639875	2.97

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
7.	MANGAL BHANSHALI				
	At the beginning of the year	1225000	1.00	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/sweat equity etc.):	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	-	-	1225000	1.00

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8.	VALLABH ROOPCHAND BHANSHALI				
	At the beginning of the year	1077850	0.88	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/sweat equity etc.):	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	-	-	1077850	0.88

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9.	LATA BHANSHALI				
	At the beginning of the year	1000000	0.82	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/sweat equity etc.):	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	-	-	1000000	0.82

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
10.	RELIANCE CAPITAL TRUSTEE COMPANY LIMITED				
	At the beginning of the year	2690000	2.19	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/sweat equity etc.):				
	-65378 (27.04.18 - Sale)	-0.05	2624622	2.14	
	-5362 (04.05.18 -Sale)	0.00	2619260	2.14	
	-74446 (11.05.18 -Sale)	-0.06	2544814	2.08	
	-149588 (18.05.18 -Sale)	-0.12	2395226	1.96	
	-156585 (01.06.18 -Sale)	-0.13	2238641	1.83	
	-1238618 (19.10.18 -Sale)	-1.01	1000023	0.82	
	-68625 (26.10.18 -Sale)	- 0.06	931398	0.76	
	At the end of the year (or on the date of separation, if separated during the year)	-	-	931398	0.76

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
11.	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED#				
	At the beginning of the year	2423080	1.98	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc.):				
	300000 (06.04.18 - Purchase)	0.24	2723080	2.22	
	-8 (04.05.18 - Sale)	0.00	2723072	2.22	
	-9110 (11.05.18 - Sale)	-0.01	2713962	2.21	
	-2853 (18.05.18 - Sale)	0.00	2711109	2.21	
	-117498 (25.05.18 - Sale)	-0.10	2593611	2.11	
	-25078 (01.06.18 - Sale)	-0.02	2568533	2.09	
	-6054 (15.06.18 - Sale)	-0.01	2562479	2.08	
	-60698 (22.06.18 - Sale)	-0.05	2501781	2.03	
	-9715 (29.06.18 - Sale)	-0.01	2492066	2.02	
			2453042	1.99	

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
		-39024 (06.07.18 - Sale)	-0.03	1759701	1.42
		-693341 (13.07.18 - Sale)	-0.57	1561084	1.26
		-198617 (20.07.18 - Sale)	-0.16	1396704	1.13
		-164380 (27.07.18 - Sale)	-0.13	1297632	1.05
		-99072 (03.08.18 - Sale)	-0.08	955278	0.77
		-342354 (10.08.18 - Sale)	-0.28	927878	0.75
		-27400 (17.08.18 - Sale)	-0.02		
	At the end of the year (or on the date of separation, if separated during the year)	-	-	927878	0.75

Ceased to be in the list of Top 10 shareholders as on 31.03.2019. The same have been reflected above since shareholders were among the Top 10 shareholders as on 01.04.2018.

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	RAJESH MITTAL				
	At the beginning of the year	3079900	2.51	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc.)	-	-	-	-
	At the End of the year	-	-	3079900	2.51

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2.	SHOBHAN MITTAL*				
	At the beginning of the year	739000	0.60	-	-
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc.):	-	-	-	-
	At the End of the year	-	-	739000	0.60

* Resigned w.e.f. 19.07.2019

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3.	SHIV PRAKASH MITTAL*				
	At the beginning of the year	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.):	-	-	-	-
	At the End of the year	-	-	NIL	NIL

* Resigned w.e.f. 19.07.2019

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4.	SANIDHYA MITTAL				
	At the beginning of the year	90000	0.07	-	-
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc.):	-	-	-	-
	At the End of the year	-	-	90000	0.07

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5.	SUSIL KUMAR PAL				
	At the beginning of the year	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.):	-	-	-	-
	At the End of the year	-	-	NIL	NIL

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6.	VINOD KUMAR KOTHARI				
	At the beginning of the year	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.):	-	-	-	-
	At the End of the year	-	-	NIL	NIL

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
7.	ANUPAM KUMAR MUKERJI				
	At the beginning of the year	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.):	-	-	-	-
	At the End of the year	-	-	NIL	NIL

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8.	SONALI BHAGWATI DALAL				
	At the beginning of the year	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.):	-	-	-	-
	At the End of the year	-	-	NIL	NIL

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9.	UPENDRA NATH CHALLU				
	At the beginning of the year	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.):	-	-	-	-
	At the End of the year	-	-	NIL	NIL

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
10.	KAUSHAL KUMAR AGARWAL				
	At the beginning of the year	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.):	-	-	-	-
	At the End of the year	-	-	NIL	NIL

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
11.	VISHWANATHAN VENKATRAMANI*				
	At the beginning of the year	10	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.):	-	-	-	-
	At the End of the year	-	-	10	0.00

* Resigned w.e.f. 19.07.2019

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 - 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
12.	MUKESH AGARWAL*				
	At the beginning of the year	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.):	-	-	-	-
	At the End of the year	-	-	NIL	NIL

* Appointed w.e.f. 14.08.2019

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payments (₹ in lacs)

	Secured Loans	Unsecured	Deposits	Total
	Excluding deposits	Loans		Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	61,342.11	3,904.01	-	65,246.12
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	105.98	-	-	105.98
Total (i+ii+iii)	61,448.09	3,904.01	-	65,352.10
• Transferred Pursuant to scheme of arrangement	44,885.13	1,560.57	-	46,445.70
Total Indebtedness at the beginning of the financial year after transferred as per scheme of arrangement	16,562.96	2,343.44	-	18,906.40
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	4,216.79	313.08	-	4,529.87

	Secured Loans	Unsecured	Deposits	Total
	Excluding deposits	Loans		Indebtedness
Net Change	4,216.79	313.08	-	4,529.87
Indebtedness at the end of the financial year				
i) Principal Amount	12,334.03	2,030.36	-	14,364.39
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	12.14	-	-	12.14
Total (i+ii+iii)	12,346.17	2,030.36	-	14,376.53

VI. Remuneration of directors and Key Managerial Personnel

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

Sl. No.	Particulars of Remuneration	Name of MD/WT/ Manager		(₹ in lacs)
		Rajesh Mittal	Sanidhya Mittal	Total amount
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	211.20	42.00	253.20
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission			
	- as 1.50% of profit	146.02	146.02	292.04
	- others, specify	Nil	Nil	Nil
5.	Others – Provident Fund	22.46	5.04	25.50
	Total (A)	379.68	193.06	572.74
	Ceiling as per the Act	₹999.05 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:

Sl. No.	Particulars of Remuneration	Name of Directors					Total amount
		Independent Directors	Susil Kumar Pal	Anupam Kumar Mukerji	Vinod Kumar Kothari	Upendra Nath Challu	
	Fee for attending board/ committee meetings	7.60	6.50	7.00	7.10	1.80	30.00
	Commission	10.00	10.00	10.00	10.00	10.00	50.00
	Others, please specify	--	--	--	--	--	--
	Total(1)	17.60	16.50	17.00	17.10	11.80	80.00
	2. Other Non-Executive Directors	-	-	-	-	-	-
	Fee for attending board/ committee meetings	--	--	--	--	--	--
	Commission	--	--	--	--	--	--
	Others, please specify	--	--	--	--	--	--
	Total (2)	--	--	--	--	--	--
	Total(B) = (1+2)	17.60	16.50	17.00	17.10	11.80	80.00
	Total Managerial Remuneration						652.74
	Overall Ceiling as per the Act	₹1,098.96 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: ₹99.91 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			
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	50.27	50.27
	b. Value of perquisites u/s 17(2) of the Income-tax Act, 1961	Nil	Nil	Nil
	c. Profits in lieu of salary under section 17(3) of the 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	Nil	2.39	2.39
	Total	Nil	52.66	52.66

* Mr. V. Venkatramani, CFO resigned from the Company w.e.f. 19.07.2019 and joined Greenpanel Industries Limited, consequent to the approval of the Composite Scheme of Arrangement. His remuneration for the FY 18-19 has not been considered in the Company as he has been transferred w.e.f. 01.04.2018 (Appointed Date as per the scheme) to Greenpanel Industries Limited.

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)
A. COMPANY					
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. DIRECTORS					
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.
C. OTHER OFFICERS IN DEFAULT					
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 U/S 186 OF THE COMPANIES ACT, 2013:

(I) Details of loans:

Sl No.	Date of loan	Date of Board Resolution	Date of Special Resolution (If any)	Name of the borrower	Purpose for which the loan is proposed to utilized by the recipient	Amount (In USD in Lacs)	Amount (₹ in Lacs)*	Rate of interest	Security	Prevailing yield of 1/3/5/10 year Government Security at the time of the extending the loan
1	07-05-2018	24-10-2016	Not Applicable	Greenply Middle East Ltd	For business requirements	10.00	671.38	12 months USD LIBOR plus 500 bps p.a.	Nil	Yield of 5 year Bond is 8.049%

*Represents amount as on the date of transaction

(II) Details of Investments

Sl No.	Date of Investments	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 (In USD in Lacs)	Amount (₹ in Lacs)*	Expected rate of return
1	21-09-2018	24-05-2016	Not Applicable	Greenply Holdings Pte. Ltd	For Business requirement	0.25	18.19	Not Applicable
2	15-10-2018	20-03-2018	Not Applicable	Greenply Holdings Pte. Ltd.*	For business requirements	37.50	2,366.90	Not Applicable

* Transfer of shareholding in Greenply Alkema (Singapore) Pte. Ltd., Singapore (Joint Venture Company) from Greenply Trading Pte. Ltd., Singapore to Greenply Holdings Pte. Ltd., Singapore by further issue of share capital by Greenply Holdings Pte. Ltd. to Greenply Industries Limited with corresponding reduction/partial disinvestment of share capital in Greenply Trading Pte. Ltd., Singapore pursuant to Agreements dated 03.09.2018.

(III) Details of guarantee 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 in Lacs)	Amount (EURO in Lacs)	Amount (₹ in Lacs)#	Commission
1	25-10-2018	21-02-2017	Not Applicable	Greenply Middle East Ltd	For working capital requirements	29.40	-	2031.83	2% p.a.
2	18-05-2018	02-12-2016	Not Applicable	Greenply Middle East Ltd	For working capital requirements	15.00	-	1036.65	2% p.a.
3	19-01-2019	02-12-2016	Not Applicable	Greenply Middle East Ltd	For working capital requirements	10.00	-	691.10	2% p.a.

#Represents amount as on the year end rate

Amount outstanding as at 31st March, 2019

Particulars	Amount (₹ in lacs)
Loans given	2,211.52
Investments made	4,222.22
Guarantee given	12,514.99

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:

- Water Pump House operation controlled under auto system with pressure control.
- Press cycle optimize to improve quality and power consumption.
- Raw Board size optimized to reduce cutting and sanding loss.
- Sanding infeed system modified to control raw board feeding gap and increase capacity.
- Periodic check of the electric distribution network for safe and efficient performance.
- System incorporated to stop Offline equipment during peak load period and run at maximum capacity in off peak load period
- Regular venting of Thermal oil lines to remove

low boil volatile impurities for optimum utilization of heat energy of the hot oil.

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

(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 routinely on to control/reduce formaldehyde emission from plywood by improved glue formulation.

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

- Emphasizing 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	-
Revenue	-
Total	-
Total R&D expenditure as a percentage of net turnover (%)	-

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.
- Analyzing feedback from users to improve products and services.

2. Benefits of the steps adopted

- Improved product quality, leading to 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.

c) Foreign exchange earnings and outgo

1. Efforts: The Company regularly participates in international exhibitions and carries out market survey.

Foreign exchange earnings and outgo:	(₹ in lacs)	
	2018-2019	2017-2018
Earnings on account of:		
a) FOB value of exports	66.53	-
Total	66.53	0.00
Outgo on account of:		
a) Raw materials	9,761.02	3,959.45
b) Capital goods	353.16	40.90
c) Traded goods	1,763.17	345.88
d) Stores & spare parts	475.27	50.10
Total	12,352.61	4,396.33

For and on behalf of the Board of Directors

Rajesh Mittal

Chairman cum Managing Director
(DIN: 00240900)

Place: Kolkata

Date: August 14, 2019

Report on the CSR activities forming Part of the Board's Report for the year ended on 31st March, 2019

[Pursuant to clause (o) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

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, the Company'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 and improving lives in pursuit of collective development and environmental sustainability. This vision should encompass all CSR activities of the Company.

Mission: The Company's mission is primarily to pursue initiatives directed towards enhancing welfare measures of the society based on long term social and environmental consequences of the CSR activities including dedicating time and resources towards social initiatives to ensure equal opportunities and access to everyone in the spheres of education, vocation, healthcare, sanitation and drinking water 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. The Company 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, elderly, and the differently abled and livelihood enhancement projects;
- Ensuring animal welfare;
- Eradicating hunger, poverty and malnutrition, 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 development projects;
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
- Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art;

Name of the projects/ programs:

a. Sponsoring Girl Child Education

The Company 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 of selected talented girls.

b. Healthcare Project through Mobile Medical Van (MMV)

A Healthcare Project undertaken by the Company through Mobile Medical Van (MMV) in the nearby villages of Tizit, Dist- Mon, Nagaland to provide basic diagnostic, medicine, curative, referral and counselling services to the rural population. The aim of the project is improving access of medical services in the remote areas as well as raising the level of awareness among the community towards healthy and hygienic living.

c. Project relating to vocational Skill Development in the domain of Carpentry

The project encompasses training to carpenters on skills for new-age wood products, carpentry tools and techniques.

The aim of the project is to:

- Improve livelihood opportunities for existing carpenters
- Create a talent pool for modern market requirements
- Promote sustainable trade practices

d. Infrastructure set-up including civil works for Electric Crematorium

The project covers infrastructure set-up including civil works for the electric crematorium in the nearby village of the Company's unit in Bamanbore, Gujarat. The aim of the project is to ensuring and maintaining sanitation.

e. Comprehensive free and/or subsidized medical services/treatment

The project covers contribution to the Tata Medical Centre Trust, Kolkata towards comprehensive free and/or subsidized medical services/treatment of high quality to the destitute and needy people suffering from cancer.

f. Infrastructure development of Eye Hospital

The project covers support towards infrastructure development of Eye Hospital- Netra Niramay Niketan, Vill & P.O. Chandi, P.S. Bishnupur, Dist: 24 Parganas (South), West Bengal.

g. Construction of a class room for Primary School

The project covers construction of a class room for the Primary School at Gangapur (Patia), Uttarakhand.

h. Education of tribals and rural children

The project covers contribution for the education of tribals and rural children under the Ekal Abhiyan movement of Friends of Tribals Society (FTS) for Ekal Vidyalaya, Barasat Anchal, North 24 Parganas, West Bengal.

i. Construction of a Class room

The project covers contribution for the construction of a Class room in the School Building named as Unnayani Patha Bhawan, Kurpai, Purba Medinipur, West Bengal run by Kurpai Unnayani Society.

j. Purchase of books

The project covers contribution for the purchase of books for the students of Class-IX to Class-XII in the village H.S. School, named as KURPAI HIGH SCHOOL (H.S.), Purba Medinipur, West Bengal.

k. Purchase of a medical tool

The Company has contributed for the purchase of a medical tool for the treatment in the Nevedita School for Special Children under the Institute of Child Health 11, Dr. Biresh Guha Street Kolkata – 700017.

l. Comprehensive free and/or subsidized medical services/treatment

The Company has contributed to Shrimad Rajchandra Sarvamangal Trust, Gujarat, towards comprehensive free and/or subsidized medical services/treatment of high quality to the destitute and needy people and also for the purchase of medical equipment through Shrimad Rajchandra Hospital situated at Opposite to S.T. Bus Depot., Dharampur, Dist: Valsad, Gujarat-396 050.

m. Construction of a School building

The project covers contribution for the construction of a School building at Saraswati Shishu Mandir, Naiyapara, Diamond Harbour, South 24 Pgs., West Bengal through Vikekananda Vidyavikash Parishad (W.B.).

n. Construction of General Ward

The project covers contribution towards the construction of general ward consisting six (6) beds each bay at Tata Medical Centre, Kolkata.

o. Protection and Promotion of Rajasthani Heritage & Culture

The Company has contributed towards protection and promotion of Rajasthani Heritage & Culture through Rajasthani Pracharini Sabha at Kolkata.

p. Pure Drinking Water

The project covers contribution towards construction of rooms for installation of R.O. plants in the villages of Chittoor district, Andhra Pradesh for pure drinking water.

q. Infrastructure support for a School

The Company has contributed for the infrastructure support like supply of study table, chair etc. for Fullora Memorial Primary School, Bishnupur, South 24 Pgs., West Bengal.

r. Medical Camp-Eye Check-up

The Company has conducted free medical camp for eye check-up at Kolkata towards healthcare activity.

s. Infrastructure support for a School

The Company has contributed for the infrastructure support like supply of study table, chair etc. in the Schools nearby Chittoor district, Andhra Pradesh.

t. Plantation activities

The Company is taking plantation activities covered under CSR project in Mon (Nagaland), Morbi, Junagarh, Surendranagar, Jamnagar, Bhavnagar, Gir Somnath, Rajkot (Gujarat) and 24 Paragana South (West Bengal), towards ensuring environmental sustainability.

Web link to the CSR Policy of the Company:

<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 composition of CSR committee as on 31.03.2019:

- Mr. Rajesh Mittal, Managing Director
- Mr. Vinod Kumar Kothari, Independent Director
- Mr. Shobhan Mittal, Joint Managing Director & CEO
- Mr. Upendra Nath Challu, Independent Director

3. Average net profit of the Company for last three financial years: ₹18,979.47 lacs

(b) Amount unspent, if any: ₹243.37 lacs

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): ₹ 379.59 lacs

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

5. Details of CSR spent during the financial year:

(a) Total amount to be spent for the financial year: ₹379.59 lacs

Manner in which the amount spent during the financial year ended 31.03.2019 (FY2018-19) is detailed below:

Through Greenply Foundation, a Trust formed and registered by the Company under the provisions of Indian Trusts Act, 1882:

1	2	3	4	5	6	7	8
S. No.	CSR Project or Activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period i.e. 01.04.2018 to 31.03.2019	Amount spent: Direct or through implementing agency
1.	Supporting of a unique academic excellence and personality development programme for deserving and talented girls from weaker socio economic background, aiming to turn them into empowered and dignified woman or 'Shalinis'.	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, 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: ₹2,80,000	₹2,80,000	Through Udayan Care, West Bengal
2.	Mobile Medical Van (MMV) to provide basic diagnostic, medicine, curative, referral and counselling services to the rural population, with the aim of improving access to medical services in the remote areas as well as raising the level of awareness among the community towards healthy and hygienic living.	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water	Healthcare Project through Mobile Medical Van (MMV) in the nearby villages of Tizit, Dist: Mon, Nagaland	₹1,36,58,000 for the period 2015-16 to 2018-19	Direct expenditure: ₹29,17,395	₹29,17,395	Direct
3.	Project relating to vocational Skill Development in the domain of Carpentry	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Delhi, Kolkata, Bhopal and Jaipur	₹1,46,81,164 for the period 2015-16 (January 2016 to March 2016) to 2018-19	Direct expenditure: ₹21,64,546	₹21,64,546	Direct

1	2	3	4	5	6	7	8
S. No.	CSR Project or Activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period i.e. 01.04.2018 to 31.03.2019	Amount spent: Direct or through implementing agency
4.	Infrastructure set-up including civil works for Electric Crematorium	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water; and sanitation	Nearby village of the Company's unit in Bamanbore, Gujarat	₹40,00,000	Direct expenditure: ₹11,00,774	₹11,00,774	Direct
5.	Comprehensive free and/or subsidized medical services/ treatment of high quality to the destitute and needy people	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water	Through Tata Medical Center situated at 14, MAR, Rajarhat, New Town, Kolkata-700 160	₹1,00,00,000 for the FY 2018-19	Direct expenditure: ₹1,00,00,000	₹1,00,00,000	Through Tata Medical Centre Trust, Kolkata
6.	Infrastructure Development of Eye Hospital	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water	Netra Niramay Niketan, Vill. & P.O. Chandi, P.S. Bishnupur, Dist.: 24 Parganas (South), West Bengal	₹11,00,000 for the FY 2018-19	Direct expenditure: ₹11,63,059	₹11,63,059	Direct
7.	Construction of a Class room for Primary School at Gangapur (Patia), Uttarakhand	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Gangapur (Patia), Uttarakhand	₹8,00,000 for the FY 2018-19	Direct expenditure: ₹7,47,893	₹7,47,893	Direct
8.	Contribution for the education of tribals and rural children under the Ekal Abhiyan movement of Friends of Tribals Society(FTS)	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Ekal Vidyalaya Barasat Anchal, North 24 parganas, West Bengal	₹5,00,000 for the period from October 2018 to September, 2019	Direct expenditure: ₹2,50,000	₹2,50,000	Through Friends of Tribals Society(FTS), Kolkata, West Bengal
9.	Contribution for the construction of a Classroom in the School Building named Unnayani Patha Bhawan run by Kurpai Unnayani Society	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Unnayani Patha Bhawan, Kurpai, Purba Medinipur, West Bengal	₹6,50,000 for the FY 2018-19	Direct expenditure: ₹6,50,000	₹6,50,000	Through Kurpai Unnayani Society, West Bengal

1	2	3	4	5	6	7	8
S. No.	CSR Project or Activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period i.e. 01.04.2018 to 31.03.2019	Amount spent: Direct or through implementing agency
10.	Contribution for the purchase of books for the students of Class-IX to Class-XII in the village H.S. School, named KURPAI HIGH SCHOOL (H.S.) under Book – Project 2019	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	KURPAI HIGH SCHOOL (H.S.), Purba Medinipur, West Bengal	₹3,00,000 for the year 2019	Direct expenditure: ₹90,000	₹90,000	Through Kurpai Unnayani Society, West Bengal
11.	Contribution for the purchase of a tool for the treatment in the Institute of Child Health.	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water	Navedita School for Special Children Under the Institute of Child Health 11, Dr. Biresh Guha Street Kolkata – 17	₹1,85,597 for the year 2018-2019	Direct expenditure: ₹1,85,597	₹1,85,597	Direct
12.	Contribution for the comprehensive free and subsidized medical services/ treatment of high quality to the destitute and needy people and also for the purchase of medical equipment for the Hospital	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water	Through Shrimad Rajchandra Hospital situated at Opposite to S.T. Bus Depot., Dharampur, Dist: Valsad, Gujarat-396 050	₹1,50,00,000 for the FY 2018-19	Direct expenditure: ₹1,00,00,000	₹1,00,00,000	Through Shrimad Rajchandra Sarvamangal Trust, Gujarat
13.	Contribution for the construction of a School building at Naiyapara, Diamond Harbour, South 24 Pgs., West Bengal	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Through Vikekananda Vidyavikash Parishad (W.B.) at Saraswati Shishu Mandir, Naiyapara, Diamond Harbour, South 24 Pgs., West Bengal	₹41,50,000 for the FY 18-19 and 19-20	Direct expenditure: ₹10,00,000	₹10,00,000	Through Vikekananda Vidyavikash Parishad (W.B.)
14.	Contribution for the construction of General Ward consisting Six (6) beds each bay	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water	Through Tata Medical Center situated at 14, MAR, Rajarhat, New Town, Kolkata-700 160	₹75,00,000 for the FY 2018-19	Direct expenditure: ₹75,00,000	₹75,00,000	Through Tata Medical Centre Trust, Kolkata
15.	Protection and Promotion of Rajasthani Heritage & Culture	Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art	Through Rajasthani Pracharini Sabha at Kolkata	₹1,00,000 for the FY 2018-19	Direct expenditure: ₹1,00,000	₹1,00,000	Through Rajasthani Pracharini Sabha, Kolkata
16.	Pure Drinking Water	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water	Construction of rooms for Installation of R.O. plants in the villages nearby to Chittoor, Andhra Pradesh	₹1,94,700 for the period 2018-19	Direct expenditure: ₹1,94,700	₹1,94,700	Direct

1	2	3	4	5	6	7	8
S. No.	CSR Project or Activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period i.e. 01.04.2018 to 31.03.2019	Amount spent: Direct or through implementing agency
17.	Contribution for the infrastructure support for a School	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Contribution for the infrastructure support like supply of study table, chair etc. for Fullora Memorial Primary School, Bishnupur, South 24 Pgs., West Bengal	₹1,62,910 for the period 2018-19	Direct expenditure: ₹1,62,910	₹1,62,910	Direct
18.	Medical Camp-Eye Check-up	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water	Medical Camp at Kolkata -Eye check-up	₹33,040 for the period 2018-19	Direct expenditure: ₹33,040	₹33,040	Direct
19.	Contribution for the infrastructure support for a School	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Infrastructure support like supply of study table, chair etc. in the Schools nearby to Chittoor, Andhra Pradesh	₹3,86,450 for the FY 2018-19	Direct expenditure: ₹3,86,450	₹3,86,450	Direct
20.	Administrative Expenses in respect of CSR activities	Bank Charges, Auditors Remuneration and General Expenses	-	-	₹24,379	₹24,379	Direct
TOTAL (A)					₹ 3,89,50,743	₹ 3,89,50,743	

Directly by the Company:

1	2	3	4	5	6	7	8
S.No	CSR Project or Activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period i.e. 01.04.2018 to 31.03.2019	Amount spent: Direct or through implementing agency
1	Plantation activities	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;	Mon (Nagaland), Morbi, Junagarh, Surendranagar, Jamnagar, Bhavnagar, Gir Somnath, Rajkot (Gujarat), 24 Paragana South, W.B.	₹1,50,00,000 for the period 2016-2017 to 2018-2019	Direct expenditure: ₹56,10,040	₹56,10,040	Direct
TOTAL (B)					₹56,10,040	₹56,10,040	
TOTAL (A+B)					₹4,45,60,783	₹4,45,60,783	

About the implementing agency:

- Udayan Care, West Bengal: Udayan Care, West Bengal, a Charitable Trust having its office at Duckback House, 4th Floor, 41 Shakespeare Sarani, Kolkata-700 017, engaged in supporting education and grooming girl students from economically weaker section of society.
- Tata Medical Centre Trust, Kolkata: Tata Medical Centre Trust, Kolkata having its registered office at 1, Bishop Lefroy Road, Kolkata 700020 and runs a hospital by name TATA MEDICAL CENTER situated at 14, MAR, Rajarhat, Newtown, Kolkata-700160, West Bengal. Tata Medical Centre Trust is engaged in carrying out various activities in the area of healthcare and medical services.
- Friends of Tribals Society (FTS), Kolkata, West Bengal: Friends of Tribals Society, is a non-government and voluntary organization, having its head office at Ekal Bhawan, 123/A, Harish Mukherjee Road, Kolkata-700026, carrying out charitable activities in the area of education and committed towards the upliftment of the underprivileged rural and tribal masses in India.
- Kurpai Unnayani Society, West Bengal: Kurpai Unnayani Society, West Bengal, a Social Welfare organization having its office at Vill & PO: Kurpai, Dist: Purba Medinipur carrying out charitable activities in the area of education and other related activities.
- Shrimad Rajchandra Sarvamangal Trust: Shrimad Rajchandra Sarvamangal Trust having its Headquarters at Shrimad Rajchandra Hospital, Dharampur-396 050, Dist: Valsad, Gujarat and Office at Bhupati Chambers, 3rd Floor, Mathew Road, Opera House, Mumbai 400 004 engaged in carrying out various charitable activities in the area of health care and other related activities.
- Vikekananda Vidyavikash Parishad (W.B.): Vikekananda Vidyavikash Parishad, a non-profit educational organization, having its working office at 31, Dr. Gangadhar Mukherjee Road, Fazir Bazar, Howrah,-711101, carrying out activities in the area of education including running of schools and other related activities.
- Rajasthani Pracharini Sabha, Kolkata: Rajasthani Pracharini Sabha, Kolkata is a socio-cultural organization having its office at 14 Chandni Chowk Street, Kolkata-700 072. This organization is committed to the protection, promotion, creation and preservation of the heritage work of Rajasthani language, literature, art and culture.

6. The reasons for not spending the minimum allocated amount to be spent on the CSR activities of the Company:

During the year under review, the Company has undertaken CSR activities directly and through its Trust namely GREENPLY FOUNDATION. The total amount to be spent by the Company for the FY 2018-19 was ₹379.59 lacs. As against that the amount spent by the Company during the FY 2018-19 either directly or through Greenply Foundation amounted to ₹445.61 lacs (including brought forward unspent amount from previous years). Accordingly, the Company has exceeded its CSR spending during the FY 2018-19 against the requirement of Section 135 of the Companies Act, 2013 i.e. 2% of the average net profit of last 3 financial years. The Company had taken the decision to spend the carried over unspent amount of ₹296.66 lacs (net of liabilities of ₹0.98 lacs) lying with Trust and ₹1.39 lacs lying with Implementing Agencies as on 31.03.2018. Considering the carried over amount, the amount spent during FY 2018-19 is less than the minimum allocation of CSR being 2% of the average net profit of last 3 financial years amounting to ₹379.59 lacs in total. The Trust has also earned ₹10.33 lacs on temporary investment with Banks during FY 2018-19. The unutilized fund lying with the Trust as on 31.03.2019 amounting to ₹205.88 lacs (net of liabilities of ₹0.17 lacs) and the amount of ₹37.49 lacs lying with Implementing Agencies will be used for CSR activities along with fresh funding, if any, from the Company, during FY 2019-20. 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 cum Managing Director
(DIN: 00240900)

Place: Kolkata
Date: August 14, 2019

a. Details of Top ten employees in terms of remuneration drawn:

Sl. No.	Name of Employee	Designation	Remuneration (₹ in lacs)	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.	Rajesh Mittal	Chairman cum Managing Director	379.68	Permanent	B.Com.	35 yrs.	01.01.1991	56 yrs.	Not Applicable	N.A.	Yes
2.	Sanidhya Mittal	Joint Managing Director	193.06	Permanent	B.Com.	5 yrs.	04.11.2014	26 yrs.	Not Applicable	N.A.	Yes
3.	Subir Palit	Country Head - Sales & Marketing	98.66	Permanent	B.Sc. (Statistics) (Hons.), MBA (Marketing), PGDFT, PGCGM	33 yrs.	03.10.2016	58 yrs.	Sintex Industries Limited	Nil	No
4.	Shyam Sunder Shekhawat	Business Head- Decorative Panel	73.95	Permanent	M.A.	29 yrs.	01.07.2007	46 yrs.	Prakash Ply Centre Pvt. Ltd.	Nil	No
5.	Ashok Kumar Agarwal	Executive Vice President- Sales	68.17	Permanent	B.Com.(Hons.), FCA, LLB	31 yrs.	01.04.1993	53 yrs.	BTW Industries	Nil	No
6.	Arabinda Saha	Senior Vice President- Kripaampur unit	66.74	Permanent	B.Sc.	43 yrs.	10.05.1993	66 yrs.	Kitply Industries Ltd.	10	No
7.	Mukesh Agarwal*	Chief Financial Officer	61.48	Permanent	B. Com. FCA, DISA (ICAI)	17 years	02.05.2011	42 yrs.	Adhunik Metaliks Ltd.	Nil	No
8.	Bhola Trivedy	Vice President – Operations (Bamanbore Unit)	60.01	Permanent	B.Sc., MBA	36 Year	16.01.2017	60 yrs.	Hemlines Textile Exports Pvt. Ltd.	Nil	No
9.	Sanjay Jain	Senior Vice President- Accounts	50.83	Permanent	B.Com. (Hons.), CMA	31 years	02.09.1998	51 yrs.	Sharon Veneers Pvt. Ltd.	Nil	No
10.	Kaushal Kumar Agarwal	Company Secretary & Vice President-Legal	50.71	Permanent	B. Com. (Hons.), FCS	17 Years	11.07.2002	42 yrs.	Century Extrusions Ltd.	Nil	No

* Appointed as CFO w.e.f. 14.08.2019.

b. Details of other employees under aforesaid Rules:

Sl. No.	Name of Employee	Designation	Remuneration (₹ in lacs)	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.	Rajesh Mittal	Chairman cum Managing Director	379.68	Permanent	B.Com.	35 yrs.	01.01.1991	56 yrs.	Not Applicable	N.A.	Yes
2.	Sanidhya Mittal	Joint Managing Director	193.06	Permanent	B.Com.	5 yrs.	04.11.2014	26 yrs.	Not Applicable	N.A.	Yes

c. None of the employee employed throughout the year or part of year was in receipt of remuneration exceeding remuneration drawn by the Managing Director or Whole Time Director of the Company and hold 2% or more of the paid-up share capital of the Company either by himself or along with his/her spouse and dependent children.

Notes:

1. Remuneration shown above includes salary, commission, allowances, cost of accommodation, medical reimbursement, employer's contribution to provident fund and other perquisites as per the terms of employment excluding variable performance pay, if any.
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 Mr. Rajesh Mittal and Mr. Sanidhya Mittal, are related to each other.

For and on behalf of the Board of Directors

Rajesh Mittal
Chairman cum Managing Director
(DIN: 00240900)

Place: Kolkata
Date: August 14, 2019

DIVIDEND DISTRIBUTION POLICY OF GREENPLY INDUSTRIES LIMITED

The Board of Directors (the “Board”) of Greenply Industries Limited (the “Company”) had initially adopted this Dividend Distribution Policy (the “Policy”) of the Company as required in terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”) in its meeting held on 25th July, 2016. This Policy was amended by the Board of the Company at its meeting held on 8th February, 2019.

1. EFFECTIVE DATE

This Policy shall become effective from the date of its adoption by the Board.

2. PURPOSE, OBJECTIVES AND SCOPE

The Securities and Exchange Board of India (“SEBI”) vide its Notification dated July 08, 2016 has amended the Listing Regulations by inserting Regulation 43A in order to make it mandatory to have a Dividend Distribution Policy in place by the top five hundred listed companies based on their market capitalization calculated as on the 31st day of March of every year. Considering the provisions of the aforesaid Regulation 43A, the Board of Directors (the “Board”) of the Company recognizes the need to lay down a broad framework for considering decisions by the Board of the Company, with regard to distribution of dividend to its shareholders and/ or retaining or ploughing back of its profits. The Policy also sets out the circumstances and different factors for consideration by the Board at the time of taking such decisions of distribution or of retention of profits, in the interest of providing transparency to the shareholders.

The Policy is not an alternative to the decision of the Board for recommending dividend, which is made every year after taking into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided as relevant by the Board.

Declaration of dividend on the basis of parameters in addition to the parameters of this Policy or resulting in amendment of any parameters of the Policy will be regarded as deviation. Any such deviation on parameters of this Policy in extraordinary circumstances, when deemed necessary in the interests of the Company, along with the rationale will be disclosed in the Annual Report by the Board of Directors.

The Policy reflects the intent of the Company to reward its equity shareholders by sharing a portion of its profits after adjusting for accumulated losses and unabsorbed depreciation, if any, and also retaining sufficient funds for growth of the Company pursuant to Section 123 of the Companies Act, 2013. The Company shall pursue this Policy, to pay, subject to the circumstances and factors enlisted hereon, progressive dividend, which shall be

consistent with the performance of the Company over the years.

The Policy shall not apply to:

- Determination and declaring dividend on preference shares as the same will be as per the terms of issue approved by the shareholders;
- Issue of Bonus Shares by Company;
- Buy back of Securities.

A. GENERAL POLICY OF THE COMPANY AS REGARDS DIVIDEND

The general considerations of the Company for taking decisions with regard to dividend payout or retention of profits shall be as following-

1. Subject to the considerations as provided in the Policy, the Board shall determine the dividend payout in a particular year after taking into consideration the operating and financial performance of the Company, the advice of executive management including the Chief Financial Officer (‘CFO’), and other relevant factors.

B. CONSIDERATIONS RELEVANT FOR DECISION OF DIVIDEND PAY-OUT

The Board shall consider the following, while taking decisions of a dividend payout during a particular year-

Statutory requirements

The Company shall observe the relevant statutory requirements including those with respect to transfer of a certain portion of profits to any specific reserve such as Debenture Redemption Reserve, Capital Redemption Reserve etc. as provided in the Companies Act, 2013, which may be applicable to the Company at the time of taking decision with regard to dividend declaration or retention of profit.

Agreements with lending institutions/ Debenture Trustees

The decision of dividend pay-out shall also be affected by the restrictions and covenants contained in the agreements, if any, as may be entered into with the lenders/Debenture Trustee of the Company from time to time.

Other Agreements

The decision of dividend pay-out shall also be affected by the restrictions and covenants contained in the agreements that the Company shall generally enter into during the course of business, if any.

This provision shall apply mutatis mutandis to agreements already executed before the commencement of the Dividend Policy of the Company.

Long term strategic objectives of the Company as regards financial leverage

The Board may exercise its discretion to change the percentage of dividend or to otherwise take decision of retention or distribution of profits where, the Company is planning to go for expansion, restructuring, reorganizing, diversification, investment, etc.

Prudential requirements

The Company shall analyse the prospective projects and strategic decisions in order to decide-

- to build a healthy reserve of retained earnings;
- to augment long term strength;
- to build a pool of internally generated funds to provide long-term resources as well as resource-raising potential for the Company; and
- the needs for capital conservation and appreciation.

Proposals for major capital expenditures etc.

In addition to plough back the earnings on account of depreciation, the Board may also take into consideration the need for replacement of capital assets, expansion and modernization or augmentation of capital stock, including any major capital expenditure proposals.

Extent of realized profits as a part of the IND AS profits of the Company

The extent of realized profits out of its profits calculated as per IND AS, affects the Board’s decision of determination of dividend for a particular year. The Board is required to consider such factors before taking any dividend or retention decision.

Expectations of shareholders

The Board, while considering the decision of dividend pay-out or retention of a certain amount or entire profits of the Company, shall, consider the expectations of the shareholders of the Company who generally expects for a regular dividend payout.

C. OTHER FINANCIAL PARAMETERS

In addition to the aforesaid parameters such as realized profits, proposed major capital expenditures, etc., the decision of dividend payout or retention of profits shall also be based the following-

Operating cash flow of the Company

If the Company cannot generate adequate operating cash flow, it may need to rely on outside funding to meet its financial obligations and sometimes to run the day-to-day operations. The Board will consider the same before its decision whether to declare dividend or retain its profits.

Net sales of the Company

To increase its sales in the long run, the Company will need to expand its manufacturing capacity as well as increase its marketing, selling, advertising expenses etc. The amount outlay in such activities will influence the decision of declaration of dividend.

Return on invested capital

The efficiency with which the Company uses its capital will impact the decision of dividend declaration.

Magnitude of earnings of the Company

Since dividend is directly linked with the availability of earning over the long haul, the magnitude of earnings will significantly impact the dividend declaration decisions of the Company.

Cost of borrowings

The Board will analyze the requirement of necessary funds considering the long term or short term projects proposed to be undertaken by the Company and the viability of the options in terms of cost of raising necessary funds from outsiders such as bankers, lending institutions or by issuance of debt securities or plough back its own funds.

Obligations to creditors

The Company should be able to repay its debt obligations without much difficulty over a reasonable period of time. Considering the volume of such obligations and time period of repayment, the decision of dividend declaration shall be taken.

Inadequacy of profits

If during any financial year, the Board determines that the profits of the Company are inadequate, the Board may decide not to declare dividends for that financial year.

Post dividend EPS

The post dividend EPS can have strong impact on the funds of the Company, thus, impacting the overall operations on day-to-day basis and therefore, affects the profits and can impact the decision for dividend declaration.

D. FACTORS THAT MAY AFFECT DIVIDEND PAYOUT

External Factors

Taxation and other regulatory concern

- Dividend distribution tax or any tax deduction at source as required by applicable tax regulations in India, as may be applicable at the time of declaration of dividend.
- Any restrictions on payment of dividends by virtue of any regulation as may be applicable to the Company at the time of declaration of dividend.

Macroeconomic conditions

Considering the state of economy in the Country, the policy decisions that may be formulated by the Government and other similar conditions prevailing in the international market which may have a bearing on or affect the business of the Company, the management may consider retaining a larger part of the profits to have sufficient reserves to absorb unforeseen circumstances.

Capital Market

When the markets are favorable, dividend pay-out can be liberal. However, in case of unfavorable Capital

market conditions, Board may resort to a conservative dividend payout in order to conserve cash outflows.

Statutory Restrictions

The Board will keep in mind any restrictions on payment of dividends by virtue of any regulation or loan covenant, as may be applicable to the Company at the time of declaration of dividend.

Internal Factors

Product/ market expansion plan

The Company's growth oriented decision to conserve cash in the Company for future expansion plan impacts shareholders expectation for the long run which shall be considered by the Board before taking dividend decision.

Past performance/ reputation of the Company

The trend of the performance/ reputation of the Company that has been during the past years determine the expectation of the shareholders.

Working capital management in the Company

The current practice for the management of working capital within the Company also impacts the decision of dividend declaration.

Age of the Company and its product/market

The age of the Company and its product or the market in which the Company operates will be one of the most significant determining factors to the profitability of the Company and dividend declaration or retention.

Amount of cash holdings in the Company

In the investor's point of view, in the absence of any major expansion plan or capital investments or other strategic investment plans in the hands of the Company, the investors may not appreciate excessive cash holdings in the Company. The Board shall have to consider the same before taking decision of dividend declaration.

E. CIRCUMSTANCES UNDER WHICH DIVIDEND PAYOUT MAY OR MAY NOT BE EXPECTED

The Board shall consider the factors provided above under this Policy, before determination of any dividend payout after analyzing the prospective opportunities and threats, viability of the options of dividend payout or retention etc. The decision of dividend payout shall, majorly be based on the aforesaid factors considering the balanced interest of the shareholders and the Company.

F. MANNER OF DIVIDEND PAYOUT

The discussion below is a summary of the process of declaration and payment of dividends, and is subject to applicable regulations:

In case of final dividends

1. Recommendation, if any, shall be done by the Board, usually in the Board meeting that considers and approves the annual financial statements,

subject to approval of the shareholders of the Company.

2. The dividend as recommended by the Board shall be approved/declared at the annual general meeting of the Company.
3. The payment of dividends shall be made within 30 days from the date of declaration to the shareholders entitled to receive the dividend on the record date/book closure period as per the applicable law.

In case of interim dividend

1. Interim dividend, if any, shall be declared by the Board.
2. Before declaring interim dividend, the Board shall consider the financial position of the Company that allows the payment of such dividend.
3. The payment of dividends shall be made within 30 days from the date of declaration to the shareholders entitled to receive the dividend on the record date as per the applicable laws.
4. In case no final dividend is declared, interim dividend paid during the year, if any, will be regarded as final dividend in the annual general meeting.

G. MANNER OF UTILISATION OF RETAINED EARNINGS

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilization of the retained earnings of the Company shall be based on the following factors:

- Market expansion plan;
- Product expansion plan;
- Increase in production capacity;
- Modernization plan;
- Diversification of business;
- New acquisitions and investments;
- Long term/short term strategic plans including strategic joint ventures and/or partnerships and/or subsidiary companies;
- Replacement/up-gradation/modernization of capital assets;
- To cater the expensive cost of debt ;
- Such other criteria as the Board may deem fit from time to time.

H. PARAMETERS FOR VARIOUS CLASSES OF SHARES

1. The factors and parameters for declaration of dividend to different class of shares of the Company shall be same as covered above.
2. The payment of dividend shall be based on the respective rights attached to each class of shares as per their terms of issue.

3. The dividends shall be paid out of the Company's distributable profits and/or general reserves, and shall be allocated among shareholders on a pro-rata basis according to the number of each type and class of shares held.
4. Dividend when declared shall be first paid to the preference shareholders, if any, of the Company as per the terms and conditions of their issue.

3. AMENDMENT

To the extent any change/amendment is required in terms of any applicable law, the Managing Director or the Chief Executive Officer of the Company shall be jointly/severally authorised to review and amend the Policy, to give effect to any such changes/ amendments. Such amended Policy shall be periodically placed before the Board for noting and necessary ratification immediately after such changes.

Greenply Industries Limited BUSINESS RESPONSIBILITY REPORT FOR THE FINANCIAL YEAR 2018-19

[As per Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Introduction

Greenply Industries Limited excels for common good. Its unique business model ensures its legacy of responsible business and keeping community as the ultimate purpose of its existence. Over the decades, we have remained focussed on the efficient deployment of resources – people, processes and materials for the production of eco-efficient and safe products. The above purposes are articulated in the twin pillars of our vision – Value Creation and Corporate Citizenship. The Company understands and realises the role played by each and every stakeholders and hence, has a proper system for redressal of grievances of the customers and the stakeholders. The Company has a proper Business Responsibility Policy to guide and facilitate the Company to understand the principles and core elements of responsible business practices and to implement the improvements which reflect their adoption in the manner the Company undertakes its business. Each department and unit is aware of its responsibilities and the Company's system is in place to facilitate the smooth functioning of its various departments and the units. This ensures that we are balanced in our engagements with multiple stakeholders, creating value with and for all.

GENERAL INFORMATION ABOUT THE COMPANY:

- Corporate Identification Number (CIN) of the Company:** L20211AS1990PLC003484

10. Number of international locations where business activity is undertaken by the Company

Please refer the following table:

Sl. No.	Name of the Joint Venture (JV) / Wholly Owned Subsidiary (WOS)	Business activities
1	Greenply Alkema (Singapore) Pte. Ltd., Singapore (JV through Greenply Holdings Pte. Ltd., Singapore) 3, Shenton Way, #12-01A Shenton House, Singapore - 068805	This JV is engaged in the business of trading and marketing of commercial veneers and panel products. Further, the JV also controls the Myanmar based Company Greenply Industries (Myanmar) Pvt. Ltd., Myanmar, which is engaged in the business of manufacturing and trading of veneer and lumber.
2	Greenply Holdings Pte. Ltd., Singapore (WOS) 3, Shenton Way, #12-01A Shenton House, Singapore - 068805	This WOS was incorporated in the Republic of Singapore on June 22, 2016, holding investment in Greenply Alkema (Singapore) Pte. Ltd., Singapore.
3	Greenply Middle East Limited, Dubai, UAE (WOS) 409, City Tower 1, Sheikh Zayed Road, P.O. Box 118767, Dubai, United Arab Emirates	This WOS was incorporated on July 4, 2016 and holding total share capital of Greenply Gabon SA, Gabon, West Africa and engaged in the business of general trading.
4	Greenply Gabon SA, Gabon, West Africa (Step-down WOS), Parcel C-13, Nkok SEZ, BP 1024, Libreville, Gabon	On July 14, 2016, Greenply Gabon SA was incorporated as a step-down subsidiary of the Company and having manufacturing unit at Nkok SEZ in Gabon, West Africa. The same is engaged in the business of manufacturing and marketing of veneers and lumber.

- Name of the Company:** Greenply Industries Limited

- Registered Address:** Makum Road, Tinsukia, Assam-786 125

- Website:** www.greenply.com

- E-mail id:** kaushal@greenply.com

- Financial year reported:** 1st April, 2018 to 31st March, 2019

- Sectors that the Company is engaged in (as per the NIC code):**

Manufacturer of Plywood and its allied products - National Industrial Classification (NIC) Code 2008: 16211 & 16213

- Three key products that the Company manufactures:**

- Plywood
- Boards
- Doors

- Number of national locations where business activity is undertaken by the Company**

The Company's manufacturing units are situated at Tizit in Nagaland, Kripampur in West Bengal, Bamanbore in Gujarat.

The Company has 25 branches situated across India, excluding Registered Office and Corporate Office.

11. Markets served by the Company

- Domestic Sales:**
PAN India Branches - 25
Distributors/Dealers- 1870
Retailers Network- 6000

- Exports: Nepal**

FINANCIAL DETAILS OF THE COMPANY:

- Paid-up capital (INR in lacs):** 1226.27
- Total Turnover (INR in lacs):** 128378.83
- Total profit after taxes (INR in lacs):** 6129.22
- Total spending on CSR activities undertaken by the Company as percentage of profit after tax (%):** 0.78
- List of activities in which CSR Expenditure done:**
Please refer the Report on the CSR activities forming part of the Annual Report for the financial year 2018-19.

OTHER DETAILS:

- Structure of the Company – Group / Joint ventures / Associates / Holding / Subsidiaries**
There is no group. As regards JV and subsidiaries, please refer the table given in point 10 above under the general information about the Company.
- Details of business of the subsidiaries/JV**
Please refer the above table mentioned in the general information about the Company.
- Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary company:**
No participation from Subsidiary Companies.
- Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**
No participation from other entity.

BR INFORMATION:

Details of compliance (reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for the various principles?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	All the policies have been formulated or modified in consultation with the Management of the Company and is approved by the Board. The policies have been framed or modified considering the best interest of the stakeholders.								
3	Does the policy conform to any national/ international standards? If yes, specify?	Yes, the policies are based on 'National Voluntary Guidelines on Social, Environmental and Economic Responsibility of Business'.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Yes, the Policies have been approved by the Board and signed by the Company Secretary on behalf of the Board of Directors of the Company.								

- Details of Director/Directors responsible for BR:**
 - Details of Director responsible for implementation of the BR policy:
 - DIN : 00240900
 - Name: Mr. Rajesh Mittal
 - Designation: Chairman cum Managing Director
 - Details of the BR Head:
 - DIN: Not Applicable
 - Name: Kaushal Kumar Agarwal
 - Designation: Company Secretary & Vice President-Legal
 - Telephone number: 033-3051 5000
 - e-mail id: kaushal@greenply.com
- Principle-wise (as per NVGs) BR Policy/policies:**
 - Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability [P1]
 - Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle [P2]
 - Principle 3: Businesses should promote the wellbeing of all employees [P3]
 - Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized. [P4]
 - Principle 5: Businesses should respect and promote human rights [P5]
 - Principle 6: Business should respect, protect, and make efforts to restore the environment [P6]
 - Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner [P7]
 - Principle 8: Businesses should support inclusive growth and equitable development [P8]
 - Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner [P9]

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5	Does the Company have a specified committee of the Board/Director/ Official to oversee the implementation of the policy?	Yes, the Company's Official(s) are authorised to oversee the implementation of the Policy.								
6	Indicate the link for the policy to be viewed online?	http://www.greenply.com/images/pdf/Business-Responsibility-Policy.pdf								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, the policies have been posted in the Company's website and communicated to all internal stakeholders.								
8	Does the company have in-house structure to implement policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes, an independent evaluation on the working of the Business Responsibility Policy for the financial year 2018-19 was conducted through Company Secretary in Practice. The evaluation has been done after considering the practices of various units and departments of the Company.								

3. Governance related to BR:

- a. **Frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company:** During last quarter of the FY 2018-2019, the Board of Directors assessed the Business Responsibility performance of the Company considering governance related to Business Responsibility.
- b. **Does the Company publish a BR Report? What is the hyperlink for viewing this report? How frequently it is published?:** Yes, the Company has published its last Business Responsibility Report which forms part of the Company's Annual Report for the financial year 2017-18. The same is available at <http://www.greenply.com/annual-report-2017-18>. The Company is publishing the report on an annual basis.

PRINCIPLE-WISE PERFORMANCE:

PRINCIPLE-1: ETHICS, TRANSPARENCY AND ACCOUNTABILITY

1. Does the policy relating to ethics, bribery and corruption cover only the company?

The Company has a policy on the Code of Business Conduct/Ethics, which applies to all directors, officers and employees of the Company and its majority-owned subsidiaries. This Code is intended to (a) focus on areas of ethical risk; (b) set forth basic standards of ethical and legal behaviour; (c) to provide guidance to directors to help them recognize and deal with ethical issues; (d) provide reporting mechanisms for known or suspected unethical conduct and/or legal violations; (e) help foster a culture of honesty and accountability. The Company has its Vigil Mechanism Policy which provides mechanism for employees and Directors of the Company to approach the Chairman of the

Audit Committee or Managing Director of the Company for reporting genuine concerns. The executive directors and employees of the Company strictly adheres to the provisions of the Code with regard to their association with any professional, trade, legislative, political or public body. The HR Team ensures to regularly communicate to its employees all the policies related to them, so as to keep them aware of the same and allow them to take optimum advantage of the same.

2. Does the policy stated above extends to the Joint Ventures / Suppliers / Contractors / NGOs / Others?

No. However, the Company encourages its stakeholders to follow the code.

3. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the Management:

- A total of 1994 complaints (including 685 opening complaints as on 1st April, 2018) were received from customers including end-consumers in financial year 2018-19, out of which 44 (amounting to 2%) was pending as of 31st March, 2019.
- Two consumer cases were filed against the Company with the Consumer forum during financial year 2018-19. Total 6 consumer cases are pending with various consumer forum as on the end of financial year 2018-19.
- The following table gives the number of shareholder complaints received, resolved and pending during the year 2018-19.

Unresolved at the beginning of the year	Received during the year	Resolved during the year	Not solved to the satisfaction of the shareholders	Pending at the end of the year
Nil	8	6	Nil	2

PRINCIPLE-2: SAFETY AND SUSTAINABILITY OF GOODS

1. Are there any products or services of the Company whose design has incorporated social or environmental concerns, risks and/or opportunities?

None.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Not Applicable. However, the Company has undertaken special efforts in the area of sustainable development. Further, the Company has adopted technologies to enable resource efficient, sustainable manufacturing processes and technologies required to produce our products. Regular meetings are conducted and suggestion are implemented to improve the working environment.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, then what percentage of your inputs was sourced sustainably?

The Company has well established system of sustainable sourcing of inputs including transportation. When the Company began its journey over three decades ago, we had to source our raw materials from multiple external sources. But as we focused more on a well-integrated approach to business growth, the picture began

to change on the raw material front too. We are promoting large-scale plantations of fast growing and short-rotation plant species in marginal and degraded farmlands in the vicinity of our manufacturing facilities in Tizit, Mon, Nagaland and Bamanbore, Gujarat. We aim to enhance raw material security, improve environment sustainability, reduce logistics costs and help farmers to switch to commercial planting from subsistence planting. During the year under review the Company has not sourced its major inputs i.e. timber/veneers through sustainable sourcing.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

Yes. In the form of staff/worker and also supplier of timbers/veneers.

5. What steps does the Company take to educate the local/small vendors to develop their skills?

We are educating and providing saplings of Eucalyptus of Grade K25 and 413 having highest growth in a shortest period along with straight stem to farmers since the major raw material for the Company's products is timber of various species.

6. Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste?

The Company consumes all the waste products (side cutting, dust etc.) as fuel in the boilers. Therefore, there is 100% usage of the waste products.

7. What is the quantity / percentage of such re-cycling?

Not Applicable.

PRINCIPLE-3: WELL BEING OF ALL EMPLOYEES

1. Human Resource

Kind of HR	Total number in the Company
Permanent Employees	2334
Hired Employee:	
• Temporary	11
• Contractual	1762
• Casual	368
Permanent women employees	31
Permanent employees with disabilities	3
Child Labour	Nil

2. **Do you have an employee association that is recognised by management?**
There is a Union recognised by Management namely "GREENPLY INDUSTRIES PERMANENT WORKER'S UNION" in respect of the Company's unit in Kriparampur, West Bengal.
3. **What percentage of permanent employees are members of such employee association?**
Around 90% of the permanent workers.

4. **Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year:**

Sr. No.	Nature of Complaint	Received during the FY 2018-19	Pending as on 31.03.2019
a.	child labour	Nil	Nil
b.	forced labour	Nil	Nil
c.	involuntary labour	Nil	Nil
d.	discriminatory employment	Nil	Nil
e.	sexual harassment	Nil	Nil

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.

5. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**
 - a. Permanent Employees: 70%
 - b. Permanent Women Employees: 100%
 - c. Casual/Temporary/Contractual Employees: 60%
 - d. Employees with Disabilities: 100%

PRINCIPLE-4: PROTECTION OF STAKEHOLDERS' INTEREST

1. **Has the Company mapped its internal and external stakeholders?**
Yes. The Company has various departments and based on the business of the Company, it identifies the internal and external stakeholders from time to time. The Company ensures facilitation of interaction with internal and external stakeholders. There are various modes through which they interact with the Company like personal meetings, through e-mail and over phone.
2. **Has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?**
The Company has identified the disadvantaged, vulnerable and marginalized stakeholders around its units and identifying their needs and priorities so as to serve these needs accordingly.
3. **What are the steps taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders?**
The Company provides healthcare facilities nearby its unit in Nagaland and doing various CSR activities in the area of education, healthcare, vocational skill, sanitation, drinking water, medical treatment etc.

PRINCIPLE-5: RESPECTING AND PROMOTING HUMAN RIGHTS

1. **Does the Company have any policy on human rights?**
Yes. The Company understands and continuously strives to promote human rights as mentioned in the Constitution of India in the provisions of Fundamental Rights and Directive Principles of State Policy and also the guidelines of the International Bill of Human Rights.
2. **Does this policy on human rights cover only the Company or extend to the JV/ Suppliers / Contractors / NGOs / Others?**
For the subsidiaries of the Company, the policy applicable in line with the local requirements prevailing in the country of operations.
3. **How many stakeholder complaints pertaining to violation of Human Rights have been received in the past financial year and what percent was satisfactorily resolved by the management:**
No complaint was pending in the past and further, no complaint was received pertaining to human rights violation during the financial year 2018-19.

PRINCIPLE-6: RESPECTING, PROTECTING AND RESTORING THE ENVIRONMENT

1. **Does the policy related to principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?**
The Company follows its policy on Environment Protection which is applicable to all its business places. For the subsidiaries, the policy is applicable in line with the local requirements prevailing in the country of operation.
2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.?**

As such no issue of global warming and climatic changes are directly associated with the Company.

Greenply is equipped with a well-qualified team to promote large scale plantation drive on marginal and degraded lands, in the vicinity of the manufacturing units, to improve the green cover and mitigate the global warming impact. At present, genetically superior clones of fast growing short gestation tree species are produced and supplied to local farmers for plantations in their own land. The Company also takes up various initiatives to educate the agrarian community and provide them free technical knowhow from planting to post harvest stage.

3. **Does the Company identify and assess potential environmental risks?**
The Company has a mechanism to identify and assess potential environmental risks at the plant level.
4. **Does the Company has any project related to Clean Development Mechanism?**
No.
5. **Has the Company undertaken any other initiatives on - clean technology energy efficiency, renewable energy, etc.? If yes, details thereof.**
The efforts of the Company are aimed to minimise the energy consumption in spite of increase in operations of the Company.
6. **Are the emissions / waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**
Yes, the emissions/waste generated by the Company for financial year 2018-19 are within permissible limits given by CPCB/SPCB(s) of the respective units.
7. **Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of financial year.**
As on 31 March, 2019, there is no pending show cause or legal notice received from CPCB or SPCB.

PRINCIPLE-7: RESPONSIBILITY TOWARDS PUBLIC AND REGULATORY POLICY

1. **Whether the Company is a member of any trade/ chamber association?**
The Company is the member of the following trade/ chamber association among others:
 - a. ASSOCHAM
 - b. Merchants' Chamber of Commerce & Industry
 - c. Indian Green Building Council

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)?**
None. However, the Company intends to utilise the opportunities available in future for the advancement or improvement of public good.

PRINCIPLE-8: INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

1. **Does the Company have specified programmes / initiatives / projects in pursuit of the inclusive growth and equitable development? If yes details thereof.**
The Company undertakes the initiatives through the CSR Committee of the Board as per the CSR Policy of the Company. Please refer the Report on the CSR activities forming part of the Annual Report for the financial year 2018-19. The Company makes efforts to innovate and invest in the processes and technologies to promote the wellbeing of society, putting the local and the underdeveloped regions in priority.
2. **Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organization?**
The CSR projects have been carried out by the Company directly and through Greenply Foundation, a Charitable Trust, established by the Company under the provisions of the Indian Trusts Act, 1882. Please refer the Report on the CSR activities forming part of the Annual Report for the financial year 2018-19.
3. **Have you done any impact assessment of the initiative indicated above?**
No. However, the CSR Committee internally performs assessment of its initiatives on frequent intervals.
4. **What is your Company's direct contribution to Community Development Projects (CDP)? - Amount in INR and the details of the projects undertaken.**
Please refer the Report on the CSR activities forming part of the Annual Report for the financial year 2018-19 containing the details on CSR spending.
5. **Have you taken steps to ensure that this CDP is successfully adopted by the community? Please explain.**
CSR initiatives are designed and delivered in transparent manner in line with inputs from the Community itself.

PRINCIPLE-9: ENGAGING AND ENRICHING CUSTOMER VALUE

1. What percentage of customer complaints / consumer cases are pending as on the end of financial year?

A total of 1994 complaints (including 685 opening complaints as on 1st April, 2018) were received from customers including end-consumers in financial year 2018-19, out of which 44 (amounting to 2%) was pending as of 31st March, 2019.

Further, two consumer cases were filed against the Company with the Consumer forum during financial year 2018-19. Total 6 consumer cases are pending with various consumer forum as on the end of financial year 2018-19.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information)

Yes, in respect of sale of products through packaging only. We are also providing relevant information about the products on the face of it as per the local laws.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

None.

4. Did your Company carry out any consumer survey / consumer satisfaction trends?

No. However, the Company intends to carry out such survey in the due course.

On behalf of the Board of Directors

Rajesh Mittal

Place: Kolkata
Date: 14.08.2019

Chairman cum Managing Director
DIN: 00240900

CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2018-19

[Pursuant to Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Directors present the Company's Report on Corporate Governance for the financial year ended 31st March, 2019, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

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

Greenply Industries Limited (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. As a corporate citizen, our business fosters a culture of ethical behaviour and disclosures aimed at building trust of our stakeholders. We have adopted various codes and policies to carry out our duties and responsibilities in ethical and transparent manner.

2. Board of Directors

A. Composition:

The Board of the Company is comprised of Executive and Non-Executive Directors including Independent Directors. As on March 31, 2019, the composition of the Board is as under which is headed by an Executive Chairman:

Sr. No.	Category	No. of Directors	Percentage to total no. of Directors
1.	Executive Promoter Directors	4	44.44
2.	Non-executive-Independent Directors (including one women director)	5	55.56
	Total	9	100.00

The composition of the Board is in accordance with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

B. Chart/matrix setting out the Skills/Expertise/Competence of the Board of Directors:

The Board has identified the following core skills, expertise, competencies as required in the context of the business of the Company and the sector in which the Company is operating:

Sl. No.	Skills/Expertise/Competencies required by the Board of Directors		Status of availability with the Board
1.	Knowledge/ Understanding of the Business of the Company, the industry/ sector to which it relates	<p>a. Of the relevant laws, rules, regulations policies applicable to the Company, the industry/ sector to which it relates and level/ status of compliances thereof by the Company;</p> <p>b. Of the best corporate governance practices, relevant governance codes, governance structure, processes and practices followed by the Company;</p> <p>c. Of the business ethics, ethical policies, codes and practices of the Company;</p> <p>d. Of the structures and systems which enable the Company to effectively identify, asses and manage risks and crises;</p> <p>e. Of the international practice</p>	Yes

Sl. No.	Skills/Expertise/Competencies required by the Board of Directors		Status of availability with the Board
2.	Strategic expertise, strategic planning and implementation	a) Ability to think strategically and identify and critically assess strategic opportunities and threats. b) Possession of clear vision and ability of value creation. c) Ability to develop effective strategies and changes thereof. d) Ability to implement the strategy effectively & efficiently along with incorporation of necessary changes required due to existence of dynamic environment.	Yes
3.	Behavioural competencies/ personal attributes	a) Displaying of integrity and ethical standards. b) Mentoring abilities. c) Possession of relationship building capacity. d) Ability to manage people and achieving change. e) Curiosity and possession of courage. f) Active contribution/ participation in discussions specially critical discussions	Yes
4.	Mind- set or attitude	a) Possession of ethical mindset. b) Carrying of professional attitude. c) Performance oriented. d) Independent. e) Awareness of self and others.	Yes
5.	Technical skills/ experience	a) Ability to interpret financial statements and accounts in order to assess the financial health of the Company and financial viability of the projects and efficient use of resources. b) Knowledge of the sources of finance available to the Company and their related merits and risks. c) Knowledge of how to assess the financial value of the Company and potential business opportunities. d) Assess the importance of information technology in the Company. e) Marketing or other specific skills required for the effective performance of the Company	Yes
6.	HR/people orientation	a) Experience and understanding of HR policies. b) Leading and Managing HR activities, talent development and strengthening the people function.	Yes
7.	Risk oversight & management and compliance oversight	a) Ability to identify key risks in a wide range of areas including legal and regulatory compliance. b) Monitoring of risk and compliance management frameworks. c) Possession of risk management skills. d) Supervision of risk management plan/ framework and process.	Yes
8	Possession of other Skills	a) Decision making skills. b) Communication skills. c) Leadership skills. d) Influencing nature. e) Stakeholder relationship management skills.	Yes

C. Board Meetings and Attendance:

During 2018-19, five Board Meetings were held i.e. on 29th May, 2018, 30th May, 2018, 8th August, 2018, 12th November, 2018 and 8th February, 2019.

The attendance of the Directors at the Board Meetings during 2018-19 and at the last Annual General Meeting held on 28th August, 2018 is:

Name of the Directors and Director Identification Number (DIN)	Date of Appointment		Category of Directorship	No. of Board Meetings		Attendance at last AGM
	Original Date of Appointment	Date of Appointment in the current term		Held	Attd.	
Mr. Shiv Prakash Mittal* (DIN 00237242)	29.07.1991	01.02.2017	Executive Chairman- Promoter Director	5	5	Yes
Mr. Rajesh Mittal (DIN 00240900)	28.11.1990	01.01.2016	Managing Director- Promoter Director	5	4	No
Mr. Shobhan Mittal@ (DIN 00347517)	08.08.2006	01.09.2016	Joint Managing Director & CEO- Promoter Director	5	1	No
Mr. Sanidhya Mittal (DIN 06579890)	07.02.2018	07.02.2018	Executive Director- Promoter Director	5	5	No
Mr. Susil Kumar Pal (DIN 00268527)	06.12.2005	22.08.2014	Non-Executive - Independent Director	5	5	Yes
Mr. Vinod Kumar Kothari (DIN 00050850)	31.05.2006	22.08.2014	Non-Executive - Independent Director	5	4	No
Mr. Anupam Kumar Mukerji (DIN 00396878)	08.08.2006	22.08.2014	Non-Executive - Independent Director	5	4	No
Ms. Sonali Bhagwati Dalal \$ (DIN 01105028)	22.01.2007	22.08.2014	Non-Executive - Independent Director	5	3	Yes
Mr. Upendra Nath Challu (DIN 05214065)	31.08.2012	22.08.2014	Non-Executive - Independent Director	5	5	Yes

* Ceased to be a Director w.e.f 19.07.2019

@ Ceased to be a Director w.e.f 19.07.2019

\$ The name of Ms. Sonali Bhagwati Dalal, Independent Director of the Company was published by the Ministry of Corporate Affairs (MCA) on its website in the list of directors disqualified under Section 164(2) of the Companies Act, 2013. Subsequently a petition was filed by her before the Hon'ble High Court of Delhi and the Hon'ble High Court of Delhi has stayed the impugned list of Disqualified Directors to the extent it includes her name. Further, to avail the Condonation of Delay Scheme (CODS), 2018, she has filed an appeal before the National Company Law Tribunal (NCLT) for revival of the concerned defaulting company. In view of the pendency of the said appeal before NCLT, the Hon'ble High Court of Delhi has vide its order dated May 07, 2018 has extended the stay till disposal of the said appeal by MCA. Subject to compliance of certain conditions, the appeal was disposed off by the NCLT on 19.03.2019 by allowing the restoration of the name of the defaulting Company with Registrar of Companies due to which her name was published by the Ministry of Corporate Affairs (MCA) on its website in the list of directors disqualified under Section 164(2) of the Companies Act, 2013. Compliances as advised by the NCLT have been completed.

D. Outside Directorships, Committee Membership(s)/Chairmanship(s)

The number of other Boards or Board Committees in which the Directors of the Company are holding the position of Member/Chairperson as on March 31, 2019 are:

Name of the Directors and Director Identification Number (DIN)	No. of outside directorship held			No. of outside committees*		Name of Other Listed Companies and Category of Directorship
	Public Co. (Listed / Unlisted)	Private Co.	Other Co.	Member	Chairman	
Mr. Shiv Prakash Mittal (DIN 00237242)	2	6	-	4#	1	Greenlam Industries Ltd. (Non-Executive Director)
Mr. Rajesh Mittal (DIN 00240900)	2	12**	-	-	-	None
Mr. Shobhan Mittal (DIN 00347517)	1	11 ^{ss}	1	-	-	None
Mr. Sanidhya Mittal (DIN 06579890)	1	3	-	-	-	None

Name of the Directors and Director Identification Number (DIN)	No. of outside directorship held			No. of outside committees*		Name of Other Listed Companies and Category of Directorship
	Public Co. (Listed / Unlisted)	Private Co.	Other Co.	Member	Chairman	
Mr. Susil Kumar Pal (DIN 00268527)	3	-	-	5	-	1. Balasore Alloys Limited (Non-Executive Director) 2. Hasimara Industries Ltd. (Non-Executive Director)
Mr. Vinod Kumar Kothari (DIN 00050850)	1	3	1	3 [#]	1	Rupa & Company Limited (Non-Executive Director)
Mr. Anupam Kumar Mukerji (DIN 00396878)	-	-	-	-	-	None
Ms. Sonali Bhagwati Dalal (DIN 01105028)	2	2	-	3	-	1. Greenlam Industries Ltd. (Non-Executive Director) 2. Selan Exploration Technology Ltd. (Non-Executive Director)
Mr. Upendra Nath Challu (DIN 05214065)	1	-	-	-	-	Essar Power Gujarat Limited (Nominee Director) [Resigned w.e.f. 23.05.2018]

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

including Chairmanship.

** including directorship in six foreign companies.

\$\$ including directorship in four foreign companies.

The number of Directorships, Committee Membership(s) / Chairmanship(s) of all Directors is within respective limits prescribed under the Companies Act, 2013 ("Act") and Listing Regulations.

E. Independent Directors confirmation by the Board:

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

In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations.

F. Information supplied to the Board of Directors:

During 2018-19, all necessary information, as required under the applicable provisions of the Companies Act, 2013, Listing Regulations and other applicable laws and rules were placed and discussed at the Board Meetings.

During the year under review following resolutions were passed by circulation:

Sr. No.	Agenda	Date of Resolution passed by the Board/Committee
1.	Expression of Interest (EOI) for resolution plan for M/s. Kitply Industries Limited	Passed by the Board on 24.07.2018
2.	Approval for issuing addendum to the Annual Report for the financial year 2017-18	Passed by the Board on 26.09.2018

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

1. Mr. Rajesh Mittal (DIN 00240900)

Name of the Director	Mr. Rajesh Mittal (DIN 00240900)
Father's Name	Late Sanwarmal Palriwal
Age and Date of Birth	56 yrs. (Date of Birth: 10 November, 1962)
Date of first Appointment	28.11.1990
Experience/Expertise in specific functional areas	Mr. Rajesh Mittal, holds a bachelor's degree in commerce from the University of Dibrugarh, Assam. He started his career by setting up a saw mill unit at Tizit, Nagaland through Green Timber Industries Private Limited. He has been associated with the Company since inception. He has over thirty three years of experience in the fields of finance, factory operations, administration, sales and marketing.
Qualification	B.Com.

Directorship held in other Companies	Listed Entity(ies): Nil Unlisted Entity(ies): 1. RS Homcon Limited 2. Dholka Plywood Industries Private Limited 3. Awadh Maintenance Private Limited 4. S. M. Management Private Limited 5. Brijbhumi Tradevin Private Limited 6. Mastermind Shoppers Private Limited 7. R. M. Safeinvest Private Limited 8. Greenpanel Industries Limited 9. Greenply Industries (Myanmar) Private Limited 10. Greenpanel Singapore Pte. Ltd. 11. Greenply Alkema (Singapore) Pte. Ltd. 12. Greenply Gabon SA 13. Greenply Middle East Limited 14. Greenply Holdings Pte. Ltd.
Chairman/Member of the Committee of the Board of Directors of the Company	Chairman: Nil Member: 1. Stakeholders Relationship Committee 2. Audit Committee 3. Corporate Social Responsibility Committee 4. Operational Committee 5. Demerger Committee
Chairman/Member of the committee of the Board of Directors of other companies in which he is a director	Nil
Number of Equity Shares held in the Company	30,79,900 equity shares of Re.1/- each
Number of Board Meetings attended during the Financial year 2018-19	4 (four) out of 5 (five) Board Meetings
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Father of Mr. Sanidhya Mittal

2. Mr. Sanidhya Mittal (DIN 06579890)

Name of the Director	Mr. Sanidhya Mittal (DIN: 06579890)
Father's Name	Mr. Rajesh Mittal
Age and Date of Birth	26 years (Date of Birth: 3rd July, 1992)
Date of first Appointment	7th February, 2018
Experience/Expertise in specific functional areas	Mr. Sanidhya Mittal has experience of more than 4 years in the area of sales, marketing and factory operations.
Qualification	B.Com.
Directorship held in other Companies	Listed Entity(ies): Nil Unlisted Entity(ies): 1. Brijbhumi Merchants Pvt. Ltd. 2. Mastermind Shoppers Pvt. Ltd. 3. RS Homcon Limited 4. Dholka Plywood Industries Pvt. Ltd.
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 is a director	Nil
Number of Equity Shares held in the Company	90,000 equity shares of Re.1/- each
Number of Board Meetings attended during the Financial year 2018-19	5 (five) out of 5 (five) Board Meetings
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Son of Mr. Rajesh Mittal

3. Independent Directors

Name of the Director	Mr. Susil Kumar Pal	Ms. Sonali Bhagwati Dalal	Mr. Upendra Nath Challu
Father's Name	Late Jiban Krishna Pal	Late Justice P.N. Bhagwati	Late Mohan Krishna Challu
Age and Date of Birth	76 years (DOB: 3 January, 1943)	57 years (DOB: October 15, 1961)	69 years (DOB: October 20, 1950)
Date of first Appointment	Date of first Appointment: 6 December, 2005 Date of re-appointment in current term: 22.08.2014	Date of first Appointment: January 22, 2007 Date of re-appointment in current term: 22.08.2014	Date of first Appointment: August 31, 2012 Date of re-appointment in current term: 22.08.2014
Expertise in specific functional areas	Mr. Susil Kumar Pal has vast experience in the area of finance, projects preparation and accounts.	Ms. Sonali Bhagwati Dalal is Graduated with top honours in Architecture from CEPT Ahmedabad, earning the prestigious L'Institute Francaise D'Architecture scholarship to work in Paris for a year. She has nearly 30 years of architectural and interior design experience wherein she earned numerous awards and accolades and is acknowledged as part of the top twenty architects of India. She is president of Designplus, an internationally recognized contemporary design firm.	Mr. Upendra Nath Challu, a finance professional, started his career in 1973 with the State Bank of India and worked across India and abroad in the area of corporate/project finance and international banking business. During his illustrious career with State Bank of India, he handled many important assignments and portfolios till his superannuation in 2010. A pioneer in structuring and financing numerous infrastructure projects in power, roads and water awarded to the private sector besides rendering advisory services to various Central Government ministries, statutory corporations and State Governments on power sector, ports, highways and urban infrastructure during his tenure with SBI Capital Markets.

			He has considerable expertise in corporate finance and international finance besides having hands-on experience on use of technology for business and enabling adherence to compliance with external and internal regulations and policies. After retirement from the State Bank of India, he has continued his association with investment banking and the financial sector first as a senior advisor to Centrum Capital Ltd. and thereafter as an independent director on the Board of few companies.
Qualification	B.Sc. (Hons). M.Tech (Chem.Engg)	B. Arch from the Centre for Environmental Planning and Technology (CEPT), Ahmedabad.	B.A. from the Meerut University, Meerut
Directorship held in other Companies	1. Balasore Alloys Ltd. 2. Hasimara Industries Limited 3. Srei Alternative Investment Managers Ltd.	1. Greenlam Industries Limited 2. Selan Exploration Technology Ltd. 3. Spazzio Projects and Interiors Pvt. Ltd. 4. Fade to Black Design and Media Pvt. Ltd.	Essar Power Gujarat Limited (Resigned w.e.f. 23.05.2018)
Chairman/Member of the Committee of the Board of Directors of the Company	Chairman: Audit Committee Nomination and Remuneration Committee Member: Stakeholders Relationship Committee Operational Committee Demerger Committee	Chairman: Nil Member: Nil	Chairman: Nil Member: Audit Committee Corporate Social Responsibility Committee
Chairman/Member of the committee of the Board of Directors of other companies in which he/she is a director	Member (Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Project Committee and Finance Committee) Balasore Alloys Ltd.	Chairman: Nil Member: a) Audit Committee b) Corporate Social Responsibility Committee c) Stakeholders' Relationship Committee	None
Number of Shares held in the Company	Nil	Nil	Nil
Number of Board Meetings attended during the financial year 2018-19	5 out of 5 Board Meetings	3 out of 5 Board Meetings	5 out of 5 Board Meetings
Relationship with other Directors/Manager and KMPs of the Company	None	None	None

Name of the Director	Mr. Vinod Kumar Kothari	Mr. Anupam Kumar Mukerji
Father's Name	Late Hanuman Mal Kothari	Late Nirmal Chand Mukerji
Age and Date of Birth	58 years (DOB: 1 September, 1961)	83 years (DOB: August 27, 1936)
Date of first Appointment	Date of first Appointment: 31 May, 2006 Date of re-appointment in current term: 22.08.2014	Date of first Appointment: August 08, 2006 Date of re-appointment in current term: 22.08.2014
Expertise in specific functional areas	Mr. Vinod Kumar Kothari is a pioneer in the field of corporate law and finance and is recognized both nationally and internationally as a trainer and expert on specialised areas in corporate law and in finance including leasing, securitisation, asset-based finance, credit derivatives, accounting for derivatives and financial instruments, housing finance, to name a few. Mr. Kothari is also, one of the specialist editors of company law magnum opus A Ramaiya's Guide to Company Law, 2011 edition and wrote the highlights and reference for Lexis Nexis publication titled The Companies Act 2013. He is a regular speaker at various professional institutes and was a visiting faculty at Indian Institute of Management, Joka, and National University of Juridical Sciences, Kolkata.	Mr. Anupam Kumar Mukerji served as a member of the Indian Forest Service for more than 35 years both in State and in the Central Government as the Director General of forests in the Ministry of environment & forests [MOEF] till September 1994. He further served as the Vice Chairman of the National Eco-development Board till Dec 1995 & then as National consultant [FAO-UNDP] for preparation of the National Forestry Action Programme for India 1997 in MOEF. Served as member of the steering committee of the Planning Commission of India for preparation of the plan for Forest and Environment and Natural Resource development sectors for XI and as member of steering committee for XII plan formulation. In international sphere he served as a consultant with FAO, ADB, Ford foundation, E.U among others since 1977. Contributed invited papers in World Forestry Congresses and Commonwealth forestry conferences. Invited to the expert consultations in various international forums. Also periodically serving as senior advisor forestry, biodiversity and environment with various leading consulting organisations for monitoring and evaluation of World Bank, JICA, and UNDP sponsored forestry, watershed development, drought mitigation projects. He has served as the chairman of the committee formulating the New Working Plan Code, senior advisor in ESRI-INDIA, TRAFFIC International [UK] on regional wildlife illegal trade issues, Nippon Koei – NR International in JICA supported Orissa and Tripura forestry sector development projects and member of various committees in the MOEF, state planning board and climate change group of Tripura and advisory committee for national heritage of INTACH and also as a senior visiting fellow with the management institutes like IGNFA, IIPA, IILM, AMITY, TERI among others.

Qualification	B.Com, Chartered Accountant and Company Secretary	M. Sc (Botany) from the Birla Institute of Technology and Science, Pilani, Rajasthan and AIFC diploma from Indian Forest College, Dehradun.
Directorship held in other Companies	1. Rupa & Company Ltd. 2. Vinod Kothari Consultants Pvt. Ltd. 3. Wise Men's Consultancy Co. Pvt. Ltd. 4. Academy of Financial Services Pvt. Ltd. 5. Indian Securitisation Foundation	Nil
Chairman/Member of the Committee of the Board of Directors of the Company	Chairman: Nil Member: Audit Committee Nomination and Remuneration Committee Corporate Social Responsibility Committee Operational Committee Demerger Committee	Chairman: Stakeholders Relationship Committee Member: Audit Committee Nomination and Remuneration Committee
Chairman/Member of the committee of the Board of Directors of other companies in which he/she is a director	Chairman (Audit Committee): Rupa & Company Ltd. Member (Nomination and Remuneration Committee, Corporate Social Responsibility Committee): Rupa & Company Ltd	Nil
Number of Shares held in the Company	Nil	Nil
Number of Board Meetings attended during the financial year 2018-19	4 out of 5 Board Meetings	4 out of 5 Board Meetings
Relationship with other Directors/Manager and KMPs of the Company	None	None

G. Disclosures of relationships between Directors inter-se:

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) and Mr. Sanidhya Mittal (Son)
Mr. Shobhan Mittal	Joint Managing Director & CEO - Promoter Director	Mr. Shiv Prakash Mittal (Father)
Mr. Sanidhya Mittal	Executive Director - Promoter Director	Mr. Rajesh Mittal (Father)
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

H. Separate Meeting of Independent Directors:

During the year under review, a separate meeting of the Independent Directors of the Company was convened on 7th February, 2019, 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

I. Familiarisation programme for Independent Directors:

Pursuant to regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company should familiarise the Independent Directors through various programs about the Company. During the year under review, the Company has conducted the familiarisation program for Independent Directors at the Company's unit situated at Kripampur, West Bengal. Periodic presentations were made at the Board and Board Committee Meetings, on the business and performance updates of the Company. The details of the familiarisation programme have been disclosed on the website of the Company at the following web-link.

<http://www.greenply.com/images/pdf/Details-of-Familiarization-Programme-Imparted-to-Independent-Directors-2018-19.pdf>

J. Evaluation of the Board's Performance

As per the applicable provisions of the Companies Act, 2013 and Listing Regulations, the Board has to carry out evaluation of its performance, Committees of the Board and individual Directors of the Company based on the criteria laid down by the Nomination and Remuneration Committee. Feedback was sought by way of structured questionnaires covering various aspects of the Board's functioning/ effectiveness, such as Board Structure, Business Excellence, Managing Stakeholders, Business Performance Evaluation, Compliance, Internal Control, Audit Function, Risk Management and the evaluation was carried out based on responses received from the Directors.

K. Code of Conduct

The Code of Conduct for Board Members and Senior Management of the Company is available on the Company's website <http://www.greenply.com/code-of-conduct>. Annual declaration by the Chairman cum Managing Director of the Company pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, regarding compliance with the code by all the Directors and Senior Management is attached with the Annual Report.

L. Terms and conditions of appointment of Independent Directors

The terms and conditions of appointment of Independent Directors have been placed on the website of the Company. The same is available on the Company's website <http://www.greenply.com/images/pdf/Appointment-Letters-of-Independent-Directors.pdf>.

3. Committees of the Board

There are four Committees of the Board namely, the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. Apart from these Committees, the Company also has an Operational Committee and Demerger Committee of the Board.

I. Audit Committee

A. Composition:

As on March 31, 2019, the Company's Audit Committee comprises of four Non-Executive Independent Directors, and two Executive-Promoter Directors. The Company Secretary acts as the Secretary to the Audit Committee. The composition is as under:

- Mr. Susil Kumar Pal, Chairman
- Mr. Vinod Kumar Kothari, Member
- Mr. Anupam Kumar Mukerji, Member
- Mr. Upendra Nath Challu, Member
- Mr. Rajesh Mittal, Member
- Mr. Shobhan Mittal, Member

All Members of the Committee are financially literate and most of them have accounting and/or related financial management expertise.

B. Terms of Reference:

Powers and role of the Audit Committee:

a) Powers:

The powers of Audit Committee include the following:

1. To investigate any activity within its terms of reference.
2. To seek information required from any employee.
3. To obtain outside legal or other professional advice.

4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

b) Role:

The role of the Audit Committee includes the following:

1. 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;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors except those which are specifically prohibited;
4. 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:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Modified opinion(s) in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. 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;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties and scrutiny of the method used to determine the arm's length price of any transaction;
9. Scrutiny of inter-corporate loans and investments;
10. 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;
19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision.
21. Reviewing the compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
22. Carrying out any other function as may be delegated by the Board of Directors from time to

time or as may be required by applicable law or as is mentioned in the terms of reference of the audit committee.

c) Review of information by the Audit Committee:

The Audit Committee mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;

d. Internal audit reports relating to internal control weaknesses; and

e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

f. Statement of deviations:

- quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulations 32(1).
- annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

C. Meetings and attendance:

During 2018-19, five meetings of the Audit Committee were held i.e. on 29th May, 2018, 30th May, 2018, 8th August, 2018, 12th November, 2018 and 8th February, 2019 and the attendance of Member Directors is as follows:

Name of the Members	Category	No. of Meetings	
		Held	Attended
Mr. Susil Kumar Pal	Non-Executive Independent Director	5	5
Mr. Anupam Kumar Mukerji	Non-Executive Independent Director	5	4
Mr. Vinod Kumar Kothari	Non-Executive Independent Director	5	5
Mr. Upendra Nath Challu	Non-Executive Independent Director	5	5
Mr. Rajesh Mittal	Executive Promoter Director	5	4
Mr. Shobhan Mittal	Executive Promoter Director	5	1

II. Nomination and Remuneration Committee

A. Composition:

As on March 31, 2019, the Company's Nomination and Remuneration Committee comprises of three Non-Executive Independent Directors and one Executive-Promoter Director (Executive Chairman of the Company). The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee. The composition is as under:

- Mr. Susil Kumar Pal, Chairman
- Mr. Vinod Kumar Kothari, Member
- Mr. Anupam Kumar Mukerji, Member
- Mr. Shiv Prakash Mittal, Member

B. 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:

i. To formulate criteria for:

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

b. evaluation of performance of independent directors and the Board of Directors.

ii. To devise the following policies on:

- 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;
- Board diversity laying out an optimum mix of executive, independent and non-independent directors keeping in mind the needs of the Company.

iii. To identify persons who are qualified to:

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

iv. To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;

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

vi. 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.

vii. To decide whether to extend or continue the term of appointment of the independent director, on the basis of report of performance evaluation of independent directors;

viii. To recommend to the board, all remuneration, in whatever form, payable to senior management personnel.

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

C. Meetings and Attendance:

During 2018-19, two meetings of Nomination and Remuneration Committee were held i.e. on May 29, 2018 and February 7, 2019 and the attendance of Member Directors is 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	2
Mr. Shiv Prakash Mittal	Executive Promoter Director	2	2

D. 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 is uploaded on the website of the Company. The web link is http://www.greenply.com/images/pdf/Remuneration_policy.pdf

E. Remuneration of Directors

(I) Executive Directors

The details of remuneration including commission to all Executive Directors for the year ended on March 31, 2019 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. Rajesh Mittal (Managing Director)	Re-appointed for five years w.e.f. January 01, 2016	2,11,20,000	1,46,02,000	22,46,000	-
Mr. Sanidhya Mittal (Executive Director)	Appointed for five years w.e.f. February 07, 2018	42,00,000	1,46,02,000	5,04,000	-

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

(II) Non-Executive Directors

The details of sitting fees and annual commission (excluding applicable taxes thereon) to Non-Executive Directors for the financial year 2018-19 are as follows:

Name	Service contract/Notice period	Sitting fees (₹)	Commission (₹)
Mr. Susil Kumar Pal	Appointed for five years w.e.f. August 22, 2014 until the 29th Annual General Meeting of the Company to be held in the calendar year 2019.	7,60,000	10,00,000

Name	Service contract/Notice period	Sitting fees (₹)	Commission (₹)
Mr. Vinod Kumar Kothari	Appointed for five years w.e.f. August 22, 2014 until the 29th Annual General Meeting of the Company to be held in the calendar year 2019.	7,00,000	10,00,000
Mr. Anupam Kumar Mukerji	Appointed for five years w.e.f. August 22, 2014 until the 29th Annual General Meeting of the Company to be held in the calendar year 2019.	6,50,000	10,00,000
Ms. Sonali Bhagwati Dalal	Appointed for five years w.e.f. August 22, 2014 until the 29th Annual General Meeting of the Company to be held in the calendar year 2019.	1,80,000	10,00,000
Mr. Upendra Nath Challu	Appointed for five years w.e.f. August 22, 2014 until the 29th Annual General Meeting of the Company to be held in the calendar year 2019.	7,10,000	10,00,000

There are no pecuniary relationships or transactions between the non-executive directors (including independent directors) and the Company, except for sitting fees and commission drawn by them for attending the meeting of the Board and Committee(s) thereof.

All the Non-Executive Directors shall give notice of their resignation/ termination to the Company as per the applicable provisions of the Companies Act, 2013 and they will not be entitled to any severance pay from the Company.

The Company has not granted any stock option to its Directors.

The details of shares/convertible instruments held by the Executive and Non-Executive Directors of the Company as on March 31, 2019 are as follows:

Name of the Directors	Category	Number of Equity Shares	No. of Convertible Instruments
Mr. Shiv Prakash Mittal	Executive Promoter Director	Nil	Nil
Mr. Rajesh Mittal	Executive Promoter Director	3079900	Nil
Mr. Shobhan Mittal	Executive Promoter Director	739000	Nil
Mr. Sanidhya Mittal	Executive Promoter Director	90000	Nil
Mr. Susil Kumar Pal	Non-Executive Independent Director	Nil	Nil
Mr. Vinod Kumar Kothari	Non-Executive Independent Director	Nil	Nil
Mr. Anupam Kumar Mukerji	Non-Executive Independent Director	Nil	Nil
Ms. Sonali Bhagwati Dalal	Non-Executive Independent Director	Nil	Nil
Mr. Upendra Nath Challu	Non-Executive Independent Director	Nil	Nil

F. Criteria for making payment to Non- Executive Directors:

The Company has formulated criteria for making payment to Non-Executive Directors, which has been uploaded on the Company's website. The weblink of the same is as mentioned below:

http://www.greenply.com/images/pdf/Remuneration_Criteria_for_Non_Executive_Directors.pdf

G. Criteria for performance Evaluation of all the Directors (including Independent Directors):

The Nomination and Remuneration Committee has duly formulated the performance evaluation criteria for all the directors (including Independent Directors) of the Company. The said criteria are disclosed in the Directors' Report forming part of the Annual report of the Company.

III. Stakeholders Relationship Committee

A. Composition:

As on March 31, 2019, the Company's Stakeholders Relationship Committee comprises two Non-Executive Independent Directors and two Executive-Promoter Directors-

- Mr. Anupam Kumar Mukerji, Chairman
- Mr. Susil Kumar Pal, Member
- Mr. Rajesh Mittal, Member
- Mr. Shobhan Mittal, Member

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

B. 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/transmission of shares,
 - Non-receipt of annual reports,
 - Non-receipt of declared dividends,
 - 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.
- Reviewing the measures taken for effective exercise of voting rights by shareholders.
- Reviewing the adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from the 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 as may be permissible under applicable law.

- To review and/or approve requests of dematerialization and re-materialisation 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;
- 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 Regulation 20 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, from time to time.
- To carry out such other business as may be required by applicable law or delegated by the Board of Directors of the Company or considered appropriate in view of its terms of reference.

The table gives the number of complaints received, resolved and pending during the year 2018-19:

Number of complaints:

Unresolved at the beginning of the year	Received during the year	Resolved during the year	Not solved to the satisfaction of the shareholders	Pending at the end of the year
Nil	8	6	Nil	2

C. Meetings and attendance

During 2018-19, four meetings of Stakeholders Relationship Committee were held on 29th May, 2018, 8th August, 2018, 12th November, 2018 and 8th February, 2019 and the attendance of the Member Directors is as follows:

Name of the Members	Category	No. of Meetings	
		Held	Attended
Mr. Anupam Kumar Mukerji	Non-Executive-Independent Director	4	4
Mr. Susil Kumar Pal	Non-Executive-Independent Director	4	4
Mr. Rajesh Mittal	Executive Promoter Director	4	4
Mr. Shobhan Mittal	Executive Promoter Director	4	1

IV. Corporate Social Responsibility (CSR) Committee

A. Composition

As on March 31, 2019, the Corporate Social Responsibility (CSR) Committee of the Company comprised Mr. Rajesh Mittal, Mr. Shobhan Mittal, Mr. Vinod Kumar Kothari and Mr. Upendra Nath Challu.

B. Terms of Reference

The terms of reference of CSR Committee are as follows:

- To formulate, monitor and recommend to the Board the CSR Policy including the activities to be undertaken by the Company;
- To recommend the amount of expenditure to be incurred on the activities undertaken;
- To monitor the implementation of the framework of Corporate Social Responsibility Policy;
- To evaluate the social impact of the Company's CSR Activities;
- To review the Company's disclosure of CSR matters;
- To submit a report on CSR matters to the Board at such intervals and in such format as may be prescribed.
- To consider other functions, as defined by the Board or as may be stipulated under any law, rule or regulation, Corporate Social Responsibility Voluntary Guidelines 2009 and the Companies Act, 2013.

C. Meetings and attendance

During 2018-19, four meetings of CSR Committee were held i.e. on 29th May, 2018, 8th August, 2018, 12th November, 2018 and 7th February, 2019 and the attendance of Member Directors in the said Meetings is as follows:

Name of the members	Category	No. of meetings	
		Held	Attended
Mr. Rajesh Mittal	Executive Promoter Director	4	3
Mr. Shobhan Mittal	Executive Promoter Director	4	1
Mr. Vinod Kumar Kothari	Non-Executive-Independent Director	4	4
Mr. Upendra Nath Challu	Non-Executive-Independent Director	4	4

V. Operational Committee

As on 31st March, 2019, the Committee comprised of Mr. Shiv Prakash Mittal, Mr. Rajesh Mittal, Mr. Shobhan Mittal, Mr. Susil Kumar Pal and Mr. Vinod Kumar Kothari. The Committee meets as and when required to consider matters assigned to it by the Board of Directors from time to time.

VI. Demerger Committee

The Demerger Committee was constituted by the Board of Directors of the Company at its meeting held on May 30, 2018, for the purpose of facilitating the process of Demerger. There was no meeting of the Demerger Committee during the period ended 31st March, 2019.

4. 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	No. of Special Resolution(s) passed
31st March, 2018	28-08-2018 (28th AGM)	Registered Office of the Company at Makum Road, Tinsukia, Assam - 786 125	09:15 A.M.	3
31st March, 2017	21-08-2017 (27th AGM)	Registered Office of the Company at Makum Road, Tinsukia, Assam - 786 125	09:15 A.M.	1
31st March, 2016	23-08-2016 (26th AGM)	Registered Office of the Company at Makum Road, Tinsukia, Assam - 786 125	10:00 A.M.	NIL

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

- At the 28th Annual General Meeting held on August 28, 2018:
 - Resolution for approval of payment of annual remuneration (including any fees or compensation payable) to the Executive Directors of the Company being promoters or members of the promoter group in the following manner subject to the same being within the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013: (i) For each of such directors, annual remuneration exceeding ₹5.00 crore or 2.5 per cent of the net profits of the Company, whichever is higher; or (ii) For all such directors, aggregate annual remuneration exceeding 5 per cent of the net profits of the Company.
 - Resolution for approval of continuation of the directorship of Mr. Susil Kumar Pal [DIN: 00268527], Non-Executive Independent Director of the Company, who had attained the age of 75 years (DOB - 03.01.1943), till the expiry of existing terms of his appointment.

- Resolution for approval of continuation of the directorship of Mr. Anupam Kumar Mukerji [DIN: 00396878], Non-Executive Independent Director of the Company, who had attained the age of 75 years (DOB - 27.08.1936), till the expiry of existing terms of his appointments.

- At the 27th Annual General Meeting held on August 21, 2017:

Resolution for Re-appointment of Mr. Shiv Prakash Mittal (DIN: 00237242) as an Executive Chairman of the Company for a further period of five years with effect from 1st February, 2017 to 31st January, 2022.

- At the 26th Annual General Meeting held on August 23, 2016, no special resolution was passed.

iii. Passing of Resolution by Postal Ballot during the financial year 2018-2019: Nil

iv. Whether any special resolution is proposed to be conducted through postal ballot: No

5. Subsidiaries

Details of the Subsidiaries and/or Joint Venture of the Company and their business activities are provided in the Directors' Report forming part of the Annual Report of the Company. The Company has formulated a policy for determining 'material' subsidiaries pursuant to the provisions of the Listing Regulations as amended from time to time. The Policy was revised in line with the amendments made to the Listing Regulations and the same is displayed on the website of the Company. The weblink is

http://www.greenply.com/images/pdf/Policy_for_determining_Material_Subsiidiaries.pdf

6. Other Disclosures

a) Related Party Transactions:

The Company has not entered into any materially significant transactions with related parties during the financial year, which may have potential conflict with the interest of the Company at large. Suitable disclosures as required by the Ind AS 24 has been made in the notes to the Financial Statements. The details of the transactions with related parties are placed before the Audit Committee from time to time.

The Board of Directors has formulated a policy on related party transactions and also on dealing with related party transactions pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, which has been uploaded on the Company's website. The weblink as required under Listing Regulations is as under: http://www.greenply.com/images/pdf/Related_Party_Transactions_Policy.pdf

b) Compliance:

There has been no non-compliance, penalties or strictures imposed on the Company by Stock Exchanges and/or SEBI and/or any other Statutory Authorities, on any matter related to capital markets during the last three years.

c) Vigil Mechanism:

As per the requirement of the Companies Act, 2013 and Listing Regulations, the Company has framed and implemented 'Whistle Blower Policy' to establish vigil mechanism for directors and employees to report genuine concerns. This policy provides a process to disclose information, confidentially and without fear of victimization, where there is reason to believe that there has been serious malpractice, fraud, impropriety, abuse or wrong doing within the Company or violation of the Company's Code of Conduct or ethical policy. The whistle blowers may also lodge their complaints/concern with the Chairman of the Audit Committee, whose contact details are provided in the Whistle Blower Policy of the Company. The policy offers appropriate protection to the whistle blowers from victimization, harassment or disciplinary proceedings. The Whistle Blower Policy is available on the website of the Company and weblink to the same is as under: http://www.greenply.com/images/pdf/Vigil_Mechanism_Policy_1.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:

Mandatory requirements:

Your Company has adhered to all the mandatory requirements of Corporate Governance norms as prescribed under the Listing Regulations to the extent applicable to the Company. The Company also complies with the notified Secretarial Standards on the Board and General Meetings as issued by the Institute of the Company Secretaries of India. The Certificate regarding compliance with the conditions of Corporate Governance received from Statutory Auditors, M/s. B S R & Co. LLP, Chartered Accountants is annexed to this Report.

Discretionary or Non-mandatory requirements as specified in Part E of Schedule II of SEBI Listing Regulations:

- Office for non-executive Chairman at company's expense: Not applicable to the Company since the

Chairman of the Company is an Executive Director.

2. Half-yearly declaration of financial performance including summary of the significant events in last six-months to each household of shareholders: Not adopted

3. Modified opinion(s) in audit report: The Auditors of the Company have issued an unmodified report on financial statements for FY 2018-2019. Further the Company has complied with the discretionary requirement with regard to moving towards a regime of unqualified financial statements and unmodified audit opinion.

4. Separate posts of Chairman & Chief Executive Officer: Complied

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

e) Policy for determining 'material' subsidiaries:

The Company has framed 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_Subsiidiaries.pdf

f) The Disclosure of Commodity Price Risks and Commodity Hedging Activities:

Commodity pricing does not have direct bearing but has an indirect bearing on the Company since some of our chemical consumption is linked to crude prices. During the financial year ended 31st March, 2019, the Company did not engage in commodity hedging activities.

- g) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A):

The Company has not raised any funds through preferential allotment or qualified institutions placement.

- h) The Certificate from a Company Secretary in Practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of the Company by SEBI/ Ministry of Corporate Affairs or any such statutory authority is annexed to this report.

- i) During the financial year 2018-19, there was no recommendation of any committee of the Board of the Company which is mandatorily required and is not accepted by the Board of the Company.

- j) During the financial year 2018-19, total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor of the Company and all entities in the network firm/ network entity of which the statutory auditor is a

part is detailed below:

Particulars	Amount (₹ in lacs)
Statutory Audit Fees	35.00
Limited Review of Quarterly Results	06.00
Certification Fees	01.87
Other Services	17.58
Reimbursement of Expenses	03.55

k) 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. Details of complaints received and redressed during the Financial Year 2018-19:

- a. number of complaints filed during the financial year : Nil

- b. number of complaints disposed of during the financial year : N.A.

- c. number of complaints pending as on end of the financial year: Nil

- l) Code of Conduct for Prevention of Insider Trading:

The Company has adopted a Code of Conduct for Prevention of Insider Trading in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations) with a view to regulate trading in securities by the Designated Persons (as defined in the said Code of Conduct) of the Company. The Board of Directors of the Company at its meeting held on February 5, 2015 had adopted the new Insider Trading Code effective from May 15, 2015. Further, the Code has been revised effective from April 1, 2019 in line with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018. This Code is applicable to all Designated Persons and their immediate relatives and they are required to abide by the Code of Conduct for Prevention of Insider Trading of the Company framed under the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time. The Code requires pre-clearance from Compliance officer for dealing in the Company's shares beyond threshold limits. Further, it prohibits the purchase or sale of Company's shares by the Designated Persons, directly or indirectly, while in possession of unpublished price sensitive information in relation to the Company and when the Trading Window is closed. The Company Secretary is the Compliance Officer for monitoring adherence to the said PIT Regulations.

- m) 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, Key Managerial Personnel and Senior Management have confirmed that they do not have any material, financial and commercial interest in any transaction(s) with the Company that may have potential conflict with the interest of the Company at large.

- n) All details relating to financial and commercial

p) Unclaimed Dividends:

Pursuant to the provisions of the Companies Act, 2013, 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
31.03.2012	24.08.2012	28.09.2019
31.03.2013	23.08.2013	28.09.2020
31.03.2014	22.08.2014	27.09.2021
31.03.2015	25.08.2015	30.09.2022
31.03.2016	23.08.2016	28.09.2023
31.03.2017	21.08.2017	26.09.2024
31.03.2018	28.08.2018	03.10.2025

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 28th August, 2018 (date of previous Annual General Meeting) on the Company's website <http://www.greenply.com/unpaid-dividend> and on the website of the Ministry of Corporate Affairs.

Members who have not encashed their dividend warrants for the above financial years/period may approach

transactions where Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion nor vote on such matters.

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

the Company for obtaining duplicate dividend warrants/demand draft or revalidation thereof.

q) Transfer of Unclaimed/Unpaid Dividend to IEPF:

During the year under review, unclaimed/unpaid final dividend amounting to ₹44,523/- which had been declared at the Annual General Meeting of the Company held on August 19, 2011 and lying unclaimed/unpaid was transferred to the Investor Education and Protection Fund (IEPF) in September, 2018 pursuant to the relevant provisions of applicable laws and rules.

r) Demat Suspense Account/Unclaimed Suspense Account:

The disclosure as required to be given under Regulation 34(3) read with Clause F of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as follows:

Sl. No.	Particulars	No. of shareholders	Outstanding Shares
1.	Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the beginning of the year;	6	8020
2.	Number of shareholders who approached listed entity for transfer of shares from Suspense Account during the year;	NIL	NIL
3.	Number of shareholders to whom shares were transferred from Suspense Account during the year;	NIL	NIL
4.	Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the end of the year;	6	8020

As on March 31, 2019, 8020 equity shares of the Company held by 6 shareholders are unclaimed and held in "Greenply Industries Limited - Unclaimed Suspense Account" and the voting rights on the same shares shall remain frozen till the rightful owner of the said shares claims such shares.

- s) **Transfer of equity shares corresponding to dividend which have remained unclaimed for consecutive seven years and transferred to IEPF:**

During the year under review no share was due for transfer to IEPF under the provisions of Section 124 of the Companies Act, 2013 and Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("Rules")

The Company will publish appropriate notice in newspaper and will issue letters, as and when required, to those shareholders whose shares are eligible to be transferred to IEPF.

- t) 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.
- u) The Company has complied with all the mandatory requirements as prescribed in the SEBI Listing Regulations and the Companies Act, 2013.

7. Chairman cum Managing Director and CFO Certification:

The Chairman cum Managing Director and the CFO have issued certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying, inter alia, that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of this Annual Report.

8. Compliance Certificate of the Auditors:

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations and the same is annexed to this report.

Details about means of communication:

Recommendation	Compliance
Quarterly/Annual results	Published in leading newspapers
Newspapers wherein results are normally published	Amar Asom (Assamese daily) or Aami Asomor Janagan (Assamese daily) and Business Standard (English daily)
Any website, where displayed	www.greenply.com
Whether it also displays official news releases and presentation made to institutional investors or to the analysts	Yes

11. General shareholders' information

i. Date, time and venue of the Annual General Meeting	Monday, September 30, 2019, 9:30 a.m. at the Registered office of the Company at Makum Road, Tinsukia, Assam - 786 125
ii. Financial Year	Financial year of the Company is from April 01 to March 31. Publication of results for the financial year 2019-20 (tentative and subject to change) First quarter results: On or before August 14, 2019 Second quarter and half year results: On or before November 14, 2019 Third quarter results: On or before February 14, 2020 Fourth quarter results and results for the year ending March 31, 2020: On or before May 30, 2020.
iii. Dates of book closure	From Monday, September 2, 2019 to Thursday, September 5, 2019 (both days inclusive)
iv. Dividend payment date	Within 10 days from the date of Annual General Meeting Between September 30, 2019 and October 09, 2019

9. The Company has complied with the applicable requirement specified in Regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

10. Means of communication:

The quarterly/half-yearly/annual financial results of the Company are sent to the Stock Exchanges immediately after approval of the same 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 of Assam, where the registered office of the Company is situated. In addition, these results are simultaneously posted on the Company's website www.greenply.com. The official press releases and/or presentation are also available on the Company's website.

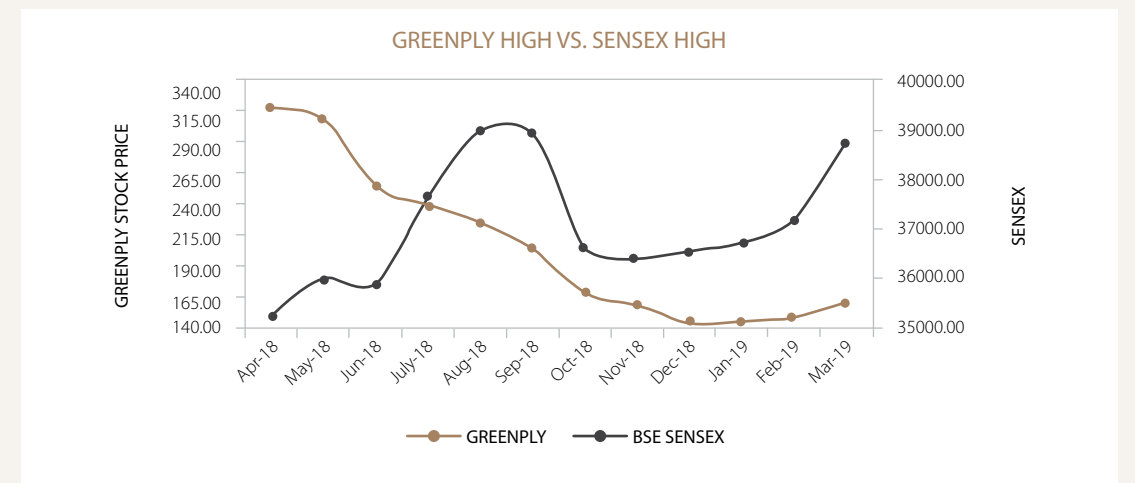
v. Listing of Equity Shares at Stock Exchanges and payment of annual listing fees:	BSE Ltd. (BSE) Floor 25, P. J. Towers Dalal Street, Fort Mumbai - 400 001 National Stock Exchange of India Ltd. (NSE) Exchange Plaza, Bandra Kurla Complex Bandra (E) Mumbai - 400 051 The Company has paid annual listing fees to both Stock Exchanges.
vi. Stock Code/Symbol	BSE: 526797 NSE: GREENPLY

vii. Market price data for the financial year 2018-19:

Month	At BSE		At NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2018	326.90	305.00	327.95	304.00
May 2018	317.50	256.00	312.10	256.80
June 2018	260.00	225.60	259.85	225.70
July 2018	243.20	195.00	243.40	194.05
August 2018	228.70	194.50	225.70	193.05
September 2018	207.25	154.00	207.20	153.45
October 2018	169.50	110.00	168.80	110.00
November 2018	159.10	120.00	158.90	127.70
December 2018	144.00	129.90	142.70	129.80
January 2019	145.00	127.00	145.00	128.00
February 2019	148.75	117.00	149.10	127.00
March 2019	161.25	138.30	161.40	139.05

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

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



x. Registrars & Share Transfer Agents

M/s. S. K. Infosolutions Pvt. Ltd.
34/1A, Sudhir Chatterjee Street
Kolkata – 700 006
Phone: (033)-2219-4815/6797
Fax: (033)-2219-4815

xi. Share Transfer System

The Company has a Committee of the Board of Directors called Stakeholders Relationship Committee and takes necessary steps as per its terms of reference duly approved by the Board from time to time. 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, 2019.

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	20377	85.71	2053111	1.66
501-1000	1774	7.46	1346940	1.10
1001-2000	814	3.42	1178394	0.96
2001-3000	275	1.16	689738	0.56
3001-4000	123	0.52	442999	0.36
4001-5000	83	0.35	387157	0.32
5001-10000	161	0.67	1148467	0.94
10001-50000	112	0.47	2252631	1.84
50001-100000	16	0.07	1236572	1.01
100001 and Above	40	0.17	111891386	91.25
Total	23775	100.00	122627395	100.00

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

Category of shareholders	Number of shares	Percentage of shares
Promoter and Promoter Group	62575000	51.03
Foreign Institutional Investors	0	0.00
Foreign Portfolio Investor	13370565	10.90
Foreign Company	3639875	2.97
Mutual Funds	25013511	20.40
Domestic Company	1934406	1.58
Resident Individuals	15095229	12.31
Clearing Member	189065	0.15
NRI	635760	0.52
Greenply Industries Limited-Unclaimed Suspense Account	8020	0.01
Investor Education and Protection Fund	30185	0.02
Financial Institutions	118403	0.10
Nationalised Bank	17376	0.01
Total	122627395	100.00

xiii. Dematerialisation of shares and liquidity:

The Company's Equity Shares are tradable compulsorily in electronic form and are available for trading in the depository systems of both National Securities Depository Ltd (NSDL) and the Central Depository Services (India) Ltd (CDSL). The International Securities Identification Number (ISIN) of the company, as allotted by NSDL and CDSL, is INE 461C01038. Nearly 99.94% of total listed Equity Shares have been dematerialised as on March 31, 2019.

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

xv. Corporate Identification Number (CIN): L20211AS1990PLC003484

xvi. Commodity price risk or foreign exchange risk and hedging activities:

The Company's Policy is to take forward cover in respect of its foreign currency exposure in respect of import of raw materials and traded goods. Commodity pricing does not have direct bearing but has an indirect bearing on the Company since some of our chemical consumption is linked to crude prices. During the financial year ended 31st March, 2019, the Company did not engage in commodity hedging activities.

xvii. Plant locations

Plywood & allied products

- P.O. Tizit, Dist: Mon, Nagaland
- Kripampur, P.O.Sukhdevpur, Dist: 24 Parganas (S), West Bengal
- Plot No. 910-913, G.I.D.C. Estate, Bamanbore, Dist. Surendranagar, Gujarat - 363 520

xviii. Address for correspondence:

1. 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
Contact Person: Mr. Dilip Bhattacharya, Director
Email: skcdilip@gmail.com / contact@skcinfo.com

2. Company Secretary & Vice President-Legal:

Mr. Kaushal Kumar Agarwal
Greenply Industries Limited
"Madgul Lounge"
6th Floor
23 Chetla Central Road
Kolkata - 700 027, India
Phone: (033) 3051-5000
Fax: (033) 3051-5010
Email : investors@greenply.com

3. Chief Investor Relations Officer

Mr. Vishwanathan Venkatramani, CFO (upto 18.07.2019)
Mr. Mukesh Agarwal, CFO (w.e.f. 14.08.2019)
Greenply Industries Limited
"Madgul Lounge"
6th Floor
23 Chetla Central Road
Kolkata - 700 027, India
Phone: (033)-3051-5000
Fax: (033)-3051-5010
Email : mukesh.corp@greenply.com

4. Nodal Officer (IEPF)

Mr. Kaushal Kumar Agarwal
Company Secretary & Vice President-Legal
"Madgul Lounge"
6th Floor
23, Chetla Central Road
Kolkata – 700027, India
Mob.: (+91) 9748738904
Phone: (033) 3051 5000
Fax: (033) 3051 5010
E-mail: kaushal@greenply.com

xix. List of all credit ratings obtained by the Company along with any revisions thereto, for all debt instruments of the Company or any fixed deposit programme or any scheme or proposal of the Company involving mobilization of funds, whether in India or abroad:

During the financial year 2018-19, the Company does not have any debt instruments or any Fixed Deposit Programme or any scheme or the proposal of the Company involving mobilization of funds in India or in abroad.

On behalf of the Board of Directors

Place: Kolkata
Date: 14.08.2019

Rajesh Mittal
Chairman cum Managing Director
DIN: 00240900

Certificate by Chairman cum Managing Director and Chief Financial Officer pursuant to sub-regulation 8 of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
Greenply Industries Limited

We, Rajesh Mittal (DIN: 00240900), Chairman cum Managing Director and Mukesh Agarwal (PAN: ACXPA5724A), Chief Financial Officer, of Greenply Industries Limited hereby certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the financial year ended on 31st March, 2019 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, wherever applicable, to the Auditors and the Audit Committee:
- (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Rajesh Mittal
Chairman cum Managing Director
DIN: 00240900

Mukesh Agarwal
Chief Financial Officer
PAN: ACXPA5724A

Dated: 14 August, 2019
Place: Kolkata

Declaration by the Chairman cum Managing Director pursuant to Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding compliance with Code of Conduct

To
The Members
Greenply Industries Limited

I, Rajesh Mittal (DIN: 00240900), Chairman cum Managing Director of Greenply Industries Ltd., hereby declare that, all the members of the board of directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended on 31 March, 2019.

Dated: 14 August, 2019
Place: Kolkata

Rajesh Mittal
Chairman cum Managing Director
DIN: 00240900

Independent Auditors' Certificate

on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Members of
Greenply Industries Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 15 July 2019.
2. This report contains details of compliance of conditions of Corporate Governance by Greenply Industries Limited ('the Company'), for the year ended 31 March 2019, as stipulated in Regulations 17-27, clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('Listing Regulations'), pursuant to the Listing Agreement of the Company with the Stock Exchanges.

Management's Responsibility for compliance with the conditions of Listing Regulations

3. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company along with the maintenance of all its relevant supporting records and documents. The Management is responsible for ensuring that the Company complies with the requirements as stipulated in Regulations 17-27, Clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations.

Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2019.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes ('Guidance note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **B S R & Co. LLP**
Chartered Accountants
Firm registration No.: 101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership No.: 055757
UDIN: 19055757AAAABT3733

Place: Kolkata
Date: 14 August 2019

INDEPENDENT AUDITORS' REPORT

To
The Members of
Greenply Industries Limited

Report on the Audit of the Standalone Financial Statements

This Report supersedes our Report dated 30 May 2019.

Opinion

We have audited the revised standalone financial statements of Greenply Industries Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2019, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and read with our comment in paragraph (b) of the Emphasis of Matters paragraph given below, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 31 March 2019, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditors' Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have

obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

- (a) We draw attention to note 36 of the standalone financial statements which describes the basis for revision of the standalone financial statements consequent to the Composite Scheme of Arrangement ('the Scheme') between the Company and Greenpanel Industries Limited, wholly owned subsidiary of Holding Company ('the resulting company'), approved by the National Company Law Tribunal (NCLT) vide order dated 28 June 2019, with appointed date of 1 April 2018 and certified copy of the order sanctioning the Scheme filed by the Company with Registrar of the Companies, Assam, on 1 July 2019. We further report that, our audit procedures on the above subsequent event, in so far as it relates to the revision to the Standalone Financial Statements, are restricted solely to the aforesaid matter relating to the Scheme.
- (b) We further draw attention to note 36 to the standalone financial statements, which states that the Company has, in accordance with the aforesaid Scheme, adjusted amounts in excess of book value of the assets transferred over liabilities in the reserves, as more fully explained in the above note, instead of recognising it in the Statement of Profit and Loss, as required by Indian Accounting Standard 105 'Non-current Assets Held for Sale and Discontinued Operations'.

Our opinion is not modified in respect of the aforesaid matters.

Key Audit Matters

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

Description of Key Audit Matter

Composite Scheme of arrangement of demerger
See note 3(h) and 36 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
<p>The Board of Directors of the Company, at its meeting held on 30 May 2018, has considered and approved a composite scheme of arrangement of demerger ('the Scheme') between the Company and Greenpanel Industries Limited, a wholly owned subsidiary of the Company, in terms of Section 230-232 of the Companies Act, 2013 ('the Act') and other applicable provisions, if any, of the Act, subject to necessary approvals from regulatory authorities, 1 April 2018 being the Appointed Date of the Scheme.</p> <p>The Company has filed petition for the above Scheme with the National Company Law Tribunal (NCLT), and as per the NCLT's direction has held meetings of the shareholders and secured and unsecured creditors who have given their consent to the Scheme.</p> <p>Consequent to the Scheme approved by NCLT vide its order dated 28 June 2019, with appointed date of 1 April 2018, and certified copy of the order sanctioning the Scheme filed by the Company with Registrar of the Companies, Assam, on 1 July 2019 ('the Scheme'), the standalone financial statements of the Company has been revised to give effect of the above order.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> - Read the NCLT order ('the order') dated 28 June 2019 in respect of approval of the Scheme with appointed date of 1 April 2018 and subsequent filing of the order with Registrar of the Companies, Assam on 1 July 2019 - Read the minutes of meeting of Demerger committee held on 3 July 2019 noting the order and filing of the Scheme with the Registrar of the Companies, Assam. - Understood and evaluated the design and tested the operating effectiveness of controls established by the management for giving effect of order in the standalone financial statements. - Considered the appropriateness of the Company's accounting policies relating to discontinued operations and assessing compliance with the applicable accounting standards in respect of the order. - Assessed the appropriateness of accounting adjustments and disclosures made in the standalone financial statements. <p>Based on the above procedures performed, we concluded that the management process for compliance of the order in the standalone financial statement is reasonable.</p>

Litigations and claims

See note 3(l), 3(x), 15 and 39 (a) to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
<p>The Company operates in various States within India, exposing it to a variety of different Central and State/Local laws, regulations and interpretations thereof. Further, potential exposures may also arise from general legal proceedings, government grants receivable, etc. in the normal course of business. In this regulatory environment, there is an inherent risk of litigations and claims.</p> <p>Assessment of contingencies and litigations requires the management to make judgements and estimates in relation to the issues and exposures.</p> <p>As the ultimate outcome of the matters are uncertain and the same involves significant judgment by the management to determine the possible outcomes of these disputes, it is considered to be a Key Audit Matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> - Tested the effectiveness of controls around the recording and re-assessment of litigation arising from general legal proceedings, government grants receivable and contingent liabilities. - Read the latest correspondence between the Company and the various tax/legal authorities and review of correspondence with / legal opinions obtained by the management, from external legal advisors, where applicable, for significant matters. - Engaged tax specialists to technically appraise the tax positions taken by management with respect to local tax issues. - Assessed the reasonableness of the management's assessment of the claims and litigations and ensured that the outcome of such assessment has been adequately provided/disclosed in the standalone financial statements of the Company. <p>Based on the above procedures performed, we concluded that the Company's assessment with regard to the litigations and claims are reasonable.</p>

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's management and the Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we have obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

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

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

Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the

standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

- (A) As required by Section 143(3) of the Act, we report that:
- 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;
 - 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;
 - The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account;
 - In our opinion and read with our comment in paragraph (b) of the Emphasis of Matters paragraph, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act;
 - On the basis of the written representations received from the directors as on 31 March

2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act; and

- With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- With respect to the other matters to be included in the Auditors' 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:
 - The Company has disclosed the impact of pending litigations as at 31 March 2019 on its financial position in its standalone financial statements - Refer Note 39 (a) and 39 (b) to the standalone financial statements;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and
 - The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2019.

- (C) With respect to the matter to be included in the Auditors' Report under Section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants

Firm registration No.: 101248W/W-100022

Jayanta Mukhopadhyay

Partner

Membership No.: 055757

ICAI UDIN: 19055757AAAABP7494

Place: Kolkata

Date: 14 August 2019

Annexure A to the Independent Auditors' report on the standalone financial statements of Greenply Industries Limited for the year ended 31 March 2019

(Referred to in our report of even date)

This Report supersedes our Report dated 30 May 2019.

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2019, we report that:

- The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
 - According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- The inventory, except goods in transit, have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. For goods-in-transit, subsequent goods receipts have been verified. The discrepancies noticed on verification between the physical stocks and the book records were not material and has been adjusted in the books of account.
- According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, provisions of paragraph 3(iii) of the Order are not applicable to the Company.
- In our opinion and according to the information and explanations given to us, the Company has

not granted any loans, investments, guarantees and security during the year that would attract provisions of Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act with respect to investments made, loans given and guarantee provided. The Company has not provided any security under the provisions of Section 186 of the Act.

- In our opinion and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the provisions of paragraph 3(v) of the Order are not applicable to the Company.

- The Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Companies Act, 2013 for any of the products manufactured by the Company.

- 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, Goods and Services tax, Duty of customs, Cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us by the management, the Company did not have any dues in respect of Sales-tax, Service tax, Duty of excise, Entry tax and Value added tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service tax, Duty of customs, Cess and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income-tax, Sales-tax, Service tax, Duty of customs, Duty of excise, Entry tax, Goods and Service tax, Value added tax and Cess which have not been deposited with the appropriate authorities on account of any dispute, except as mentioned below:

Name of the Statute	Nature of the dues	Amount (₹ in lakhs)	Amount paid (₹ in lakhs)*	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Extra discount and turnover discount in the assessable value	451.25	22.56	June 2009 to March 2016	Commissioner Appeals, Rajkot
Central Excise Act, 1944	Extra discount and turnover discount in the assessable value	73.95	-	April 2016 to June 2017	Joint Commissioner, Bhavnagar
Central Excise Act, 1944	Wrong availment of service tax on direct sale	5.54	-	March 2006 to September 2007	Customs, Excise and Service Tax Appellate Tribunal, Kolkata
Central Excise Act, 1944	Extra Amount collected in the name of finance charges	11.06	-	April 2002 to February 2005	Customs, Excise and Service Tax Appellate Tribunal, Kolkata
Central Excise Act, 1944	Short Payment of Excise Duty	571.74	-	April 2010 to January 2013	Customs, Excise and Service Tax Appellate Tribunal, Kolkata
Central Excise Act, 1944	Reversal of credit availed in respect of imported Flexi-Plywood including penalty	97.31	3.65	April 2011 to March 2015	Customs, Excise and Service Tax Appellate Tribunal, Kolkata
Central Excise Act, 1944	Disallowance of Discounts	248.90	15.73	September 2009 to March 2010	Customs, Excise and Service Tax Appellate Tribunal, Kolkata
West Bengal Sales Tax Act, 1994	Disallowance of Input Vat and Purchase Tax	8.40	-	April 2005 to March 2006	West Bengal Commercial Taxes Appellate and Revision Board
West Bengal Sales Tax Act, 1994	Disallowance of Input Vat and Purchase Tax	296.57	-	April 2008 to March 2009	West Bengal Taxation Tribunal
West Bengal Tax on Entry of Goods into Local Areas Act, 2012	Entry tax	692.83	-	July 2013 to December 2014	Hon'ble Calcutta High Court
Central Sales Tax Act, 1956	Sales Tax (For short submission of Declaration Form C)	8.72	-	April 2005 to March 2006	West Bengal Commercial Taxes Appellate and Revision Board
Central Sales Tax Act, 1956	Sales Tax (For Non allowance of Declaration Form C and F)	74.63	-	April 2008 to March 2009	Hon'ble Calcutta High Court
Kerala VAT ACT, 2003	Sales Tax (Tax and Interest charged on Escaped Turnover)	2.74	-	April 2013 to March 2015	Asst. Commissioner, Special Circle- III, Ernakulam
Madhya Pradesh VAT Act, 2002	Denial of Value Added Tax Input	1.33	0.27	April 2014 to March 2015	Madhya Pradesh Commercial Taxes Appellate and Revision Board

Name of the Statute	Nature of the dues	Amount (₹ in lakhs)	Amount paid (₹ in lakhs)*	Period to which the amount relates	Forum where dispute is pending
Bihar Value Added Tax Act, 2005	Denial of Entry Tax Credit	87.93	-	April 2008 to March 2010 April 2011 to March 2012	Joint Commissioner of Commercial Taxes (Appeals), Patna
Delhi Value Added Tax Act, 2004	Sales Tax (For Non allowance of Declaration Form "C")	14.47	10.73	April 2014 to March 2015	Department of Trade and Taxes, Delhi
Gujarat Value Added Tax Act, 2002	Disallowance of Input tax	8.83	-	April 2014 to March 2015	Deputy Commissioner, Commercial Tax, Ahmedabad
Gujarat Value Added Tax Act, 2002	Sales Tax (For short submission of Declaration Form C)	351.64	-	April 2014 to March 2015	Deputy Commissioner, Commercial Tax, Ahmedabad
Income Tax Act, 1961	Disallowance of expenses and transfer pricing adjustments	24.40	-	Assessment year – 2013-14 and 2014-15	Commissioner of Income Tax (CIT), Appeals, Kolkata

* paid under protest

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company did not have any outstanding loan or borrowings from financial institutions or government or debenture holders during the year.
- (ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any money by way of term loan, initial public offer or further public offer (including debt instruments).
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of the records, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the provisions of paragraph 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, wherever applicable, and the

details of such transactions have been disclosed in the standalone financial statements as required by the applicable Ind AS.

- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of paragraph 3(xvi) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, the provisions of paragraph 3(xv) of the Order are not applicable to the Company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provisions of paragraph 3(xvi) of the Order are not applicable to the Company.

For B S R & Co. LLP
Chartered Accountants
Firm registration No.: 101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership No.: 055757
ICAI UDIN: 19055757AAAABP7494

Place: Kolkata
Date: 14 August 2019

Annexure B to the Independent Auditors' report on the standalone financial statements of Greenply Industries Limited for the year ended 31 March 2019

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

[Referred to in paragraph (A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

This Report supersedes our Report dated 30 May 2019.

Opinion

We have audited the internal financial controls with reference to financial statements of Greenply Industries Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Emphasis of matter

We draw attention to note 36 of the standalone financial statements which describes the basis for revision of the standalone financial statements consequent to the Composite Scheme of Arrangement ('the Scheme') between the Company and Greenpanel Industries Limited ('the resulting company'), which was approved vide order dated 28 June 2019 issued by the National Company Law Tribunal (NCLT) and certified copy of the order sanctioning the Scheme filed by the Company with Registrar of the Companies, Assam on 1 July 2019. We further report that, our audit procedures on the subsequent events, in so far as it relates to the adequacy and operating effectiveness of internal financial controls with reference to standalone financial statements therein are restricted solely to the aforesaid matter relating the Scheme.

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial

controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

For B S R & Co. LLP
Chartered Accountants
Firm registration No.: 101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership No.: 055757
ICAI UDIN: 19055757AAAABP7494

Place: Kolkata
Date: 14 August 2019

Standalone Balance Sheet as at 31 March 2019

(₹ in Lakhs)

	Note	As at 31 March 2019	As at 31 March 2018
Assets			
(1) Non-current assets			
(a) Property, plant and equipment	4	16,236.08	47,709.67
(b) Capital work-in-progress	5	441.39	77,040.12
(c) Other intangible assets	6	617.64	587.95
(d) Intangible assets under development		134.76	-
(e) Financial assets			
(i) Investments	7	4,222.71	7,636.61
(ii) Loans	8	2,457.88	2,899.43
(iii) Other financial assets	15	2,230.66	2,019.39
(f) Non-current tax assets (net)	9	418.61	153.49
(g) Deferred tax assets (net)	35	410.95	-
(h) Other non-current assets	14	2,989.02	5,746.29
Total non-current assets		30,159.70	1,43,792.95
(2) Current assets			
(a) Inventories	10	14,160.64	21,496.72
(b) Financial assets			
(i) Trade receivables	11	28,337.23	28,439.92
(ii) Cash and cash equivalents	12	1,784.17	2,964.58
(iii) Bank balances other than cash and cash equivalents	13	26.03	35.36
(iv) Loans	8	44.65	138.47
(v) Derivatives	24	-	131.21
(vi) Other financial assets	15	763.33	1,946.36
(c) Other current assets	16	1,929.22	6,701.22
Total current assets		47,045.27	61,853.84
Total assets		77,204.97	2,05,646.79
Equity and liabilities			
Equity			
(a) Equity share capital	17	1,226.27	1,226.27
(b) Other equity	18	31,908.15	90,279.11
Total equity		33,134.42	91,505.38
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	3,616.22	45,910.71
(ii) Other financial liabilities	20	785.21	2,820.75
(b) Provisions	21	505.01	2,184.79
(c) Deferred tax liabilities (net)	35	-	2,645.19
(d) Other non-current liabilities	22	-	4,991.70
Total non-current liabilities		4,906.44	58,553.14
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	9,429.12	16,847.86
(ii) Trade payables	23		
Total outstanding dues of micro and small enterprises		83.15	12.31
Total outstanding dues of creditors other than micro and small enterprises		24,065.76	21,088.91
(iii) Derivatives	24	88.54	-
(iv) Other financial liabilities	20	3,019.69	11,800.97
(b) Other current liabilities	25	2,430.77	5,368.40
(c) Provisions	21	47.08	469.82
Total current liabilities		39,164.11	55,588.27
Total liabilities		44,070.55	1,14,141.41
Total equity and liabilities		77,204.97	2,05,646.79

Significant accounting policies

3

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration number: 101248W/W-100022

For and on behalf of Board of Directors of
Greenply Industries Limited
CIN: L20211AS1990PLC003484

Jayanta Mukhopadhyay
Partner
Membership No: 055757

Rajesh Mittal
Chairman cum Managing director
DIN : 00240900

Sanidhya Mittal
Joint Managing Director
DIN : 06579890

Mukesh Agarwal
Chief Financial Officer

Place : Kolkata
Dated : 14 August 2019

Kaushal Kumar Agarwal
Company Secretary & VP-Legal

Standalone Statement of Profit and Loss for the year ended 31 March 2019

(₹ in Lakhs)

	Note	Year ended 31 March 2019	Year ended 31 March 2018
Continuing Operations			
I. Revenue from operations	26	1,28,378.83	90,617.09
II. Other income	27	645.91	309.98
III. Total income (I+II)		1,29,024.74	90,927.07
IV. Expenses			
Cost of materials consumed	28	50,779.38	32,262.56
Purchase of stock in trade	29	30,604.65	25,789.28
Changes in inventories of finished goods, work-in-progress and stock in trade	30	(1,212.40)	(1,823.95)
Excise duty		-	1,499.60
Employees benefits expense	31	14,050.65	11,066.92
Finance costs	32	1,480.59	633.81
Depreciation and amortisation expense	33	1,871.73	1,544.33
Other expenses	34	22,169.10	15,069.23
Total expenses (IV)		1,19,743.70	86,041.78
V. Profit before tax from continuing operations (III-IV)		9,281.04	4,885.29
Current tax [net of reversal of provision for earlier years: ₹Nil (PY : ₹41.04 Lakhs)]		(2,292.90)	(988.68)
Deferred tax charge		(858.92)	(384.49)
VI. Tax expense	35	(3,151.82)	(1,373.17)
VII. Profit for the year from continuing operations (V-VI)		6,129.22	3,512.12
Discontinued Operations			
VIII. Profit from discontinued operation before tax	37	-	14,034.80
IX. Tax Expense of discontinued operation	37	-	(3,977.46)
X. Profit for the year from discontinued operations (VIII-IX)		-	10,057.34
XI. Profit for the year (VII+X)		6,129.22	13,569.46
XII. Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit liability/(asset)		(10.10)	183.55
Income tax relating to items that will not be reclassified to profit or loss		3.53	(64.14)
Other comprehensive income not to be reclassified subsequently to profit or loss (net of tax)		(6.57)	119.41
XIII. Total comprehensive income for the year (XI+XII)		6,122.65	13,688.87
XIV. Earnings per equity share - continuing operations	38		
[Face value of equity share ₹ 1 each (previous year ₹ 1 each)]			
- Basic (₹)		5.00	2.86
- Diluted (₹)		5.00	2.86
Earnings per equity share - discontinued operations	38		
[Face value of equity share ₹ 1 each (previous year ₹ 1 each)]			
- Basic (₹)		-	8.20
- Diluted (₹)		-	8.20
Earnings per equity share - continuing and discontinued operations	38		
[Face value of equity share ₹ 1 each (previous year ₹ 1 each)]			
- Basic (₹)		5.00	11.07
- Diluted (₹)		5.00	11.07

Significant accounting policies

3

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration number: 101248W/W-100022

For and on behalf of Board of Directors of
Greenply Industries Limited
CIN: L20211AS1990PLC003484

Jayanta Mukhopadhyay
Partner
Membership No: 055757

Rajesh Mittal
Chairman cum Managing director
DIN : 00240900

Sanidhya Mittal
Joint Managing Director
DIN : 06579890

Mukesh Agarwal
Chief Financial Officer

Place : Kolkata
Dated : 14 August 2019

Kaushal Kumar Agarwal
Company Secretary & VP-Legal

Standalone Statement of Cash Flows for the year ended 31 March 2019

(₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
A. Cash flows from operating activities		
Profit before Tax		
Continuing Operations	9,281.04	4,885.29
Discontinued Operations	-	14,034.80
Profit before Tax including Discontinued Operation	9,281.04	18,920.09
Adjustments for:		
Depreciation and amortisation expense	1,871.73	4,481.41
Finance costs	1,480.59	947.23
Loss on fair valuation of quoted investments	0.10	0.32
Loss allowance on trade receivables	(108.95)	302.32
Loss on sale/discard of property, plant and equipment	201.71	502.63
Commission on guarantee given to wholly owned subsidiaries and joint venture	(200.63)	(109.44)
Interest income	(188.50)	(187.67)
Unrealised foreign exchange fluctuations (net)	(96.18)	2,927.79
Government grants - obligation fulfillment against EPCG scheme (refer note 22)	-	(62.58)
Cash generated from operation before working capital changes	2,959.87	8,802.01
Operating cash flows before working capital changes	12,240.91	27,722.10
Working capital adjustments:		
Increase in trade and other receivables	(5,272.00)	(5,495.88)
Increase in inventories	(2,871.27)	(5,671.03)
Increase in trade and other payables	11,475.12	946.49
	3,331.85	(10,220.42)
Cash generated from operating activities	15,572.76	17,501.68
Income tax paid (net)	(2,558.02)	(4,325.42)
Net cash from operating activities	13,014.74	13,176.26
B. Cash flows from investing activities		
Acquisition of property, plant and equipment and capital work-in-progress	(5,369.76)	(30,281.92)
Acquisition of intangible assets including intangibles under development	(314.73)	(469.34)
Acquisition of investments	(18.00)	(399.47)
Loan to subsidiary	(671.38)	(1,169.97)
Proceeds from sale of property, plant and equipment	177.39	820.49
Repayment of loan by subsidiary	215.82	663.89
(Investment)/Redemption in fixed deposits with banks (having maturity of more than 3 months)	(24.32)	35.45
Commission received on guarantee given to wholly owned subsidiaries and joint venture	159.59	109.44
Interest received	144.86	187.67
Net cash used in investing activities	(5,700.53)	(30,503.76)
C. Cash flows from financing activities		
Proceeds from non-current borrowings	228.91	19,462.50
(Repayment)/Proceeds from current borrowings	(4,371.24)	5,008.19
Repayment of non current borrowings	(1,555.81)	(5,640.24)
Interest paid	(1,510.60)	(4,737.34)
Processing fees paid for non current borrowings	-	(4.50)
Dividend paid	(735.76)	(735.76)
Dividend distribution tax paid	(151.24)	(149.78)
Net cash flow from financing activities	(8,095.74)	13,203.07
Net increase / (decrease) in cash and cash equivalents	(781.53)	(4,124.43)
Cash and cash equivalents at 1 April 2018 (refer note 12)	2,964.58	7,089.01
Less : Transferred pursuant to scheme of arrangement (refer note 36)	398.88	-
Cash and cash equivalents at 31 March 2019 (refer note 12)	1,784.17	2,964.58

Standalone Statement of Cash Flows for the year ended 31 March 2019

Notes:

- (i) Standalone Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 specified under Section 133 of the Companies Act, 2013.
- (ii) Acquisition of property, plant and equipment includes movements of capital work-in-progress (including capital advances and liability for capital goods) during the year.
- (iii) Changes in liabilities arising from financial activities:

(₹ in Lakhs)

Particulars	As on 1 April 2018	Transferred pursuant to scheme (refer note 36)	Cash flows	Fair value changes	As on 31 March 2019
Non-current Borrowings including current maturities (note 19)	48,398.26	(42,138.26)	(1,326.90)	2.17	4,935.27
Current Borrowings (note 19)	16,847.86	(3,047.50)	(4,371.24)	-	9,429.12

(₹ in Lakhs)

Particulars	As on 1 April 2017	Cash flows	Fair value changes	As on 31 March 2018
Non-current Borrowings including current maturities (note 19)	30,784.92	13,822.26	3,791.08	48,398.26
Current Borrowings (note 19)	11,839.67	5,008.19	-	16,847.86

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm Registration number: 101248W/W-100022

Jayanta Mukhopadhyay

Partner

Membership No: 055757

For and on behalf of Board of Directors of

Greenply Industries Limited

CIN: L20211AS1990PLC003484

Rajesh Mittal

Chairman cum Managing director

DIN : 00240900

Sanidhya Mittal

Joint Managing Director

DIN : 06579890

Mukesh Agarwal

Chief Financial Officer

Place : Kolkata

Dated : 14 August 2019

Kaushal Kumar Agarwal

Company Secretary & VP-Legal

Place : Kolkata

Dated : 14 August 2019

Standalone Statement of Changes in Equity for the year ended 31 March 2019

a) Equity share capital (₹ in Lakhs)

Particulars	Note	Amount
Balance as at 1 April 2017		1,226.27
Changes in equity share capital during the year	17	-
Balance as at 31 March 2018		1,226.27
Changes in equity share capital during the year	17	-
Balance as at 31 March 2019		1,226.27

b) Other equity (₹ in Lakhs)

Particulars	Note	Reserves and surplus			Total
		Securities premium	General reserve	Retained earnings	
Balance as at 1 April 2017		4,852.03	23,149.20	49,474.55	77,475.78
Total comprehensive income for the year ended 31 March 2018					
Profit for the year		-	-	13,569.46	13,569.46
Other comprehensive income (net of tax)		-	-	119.41	119.41
Total comprehensive income		-	-	13,688.87	13,688.87
Transfer to general reserve		-	6,500.00	(6,500.00)	-
Transactions with owners, recorded directly in equity					
Contributions by and distributions to owners					
Final dividend on equity shares	50	-	-	(735.76)	(735.76)
Dividend distribution tax on final dividend	50	-	-	(149.78)	(149.78)
Total contributions by and distributions to owners		-	-	(885.54)	(885.54)
Total transactions with owners		-	-	(885.54)	(885.54)
Balance as at 31 March 2018		4,852.03	29,649.20	55,777.88	90,279.11
Balance as at 1 April 2018		4,852.03	29,649.20	55,777.88	90,279.11
Total comprehensive income for the year ended 31 March 2019					
Profit for the year		-	-	6,129.22	6,129.22
Amount adjusted pursuant to scheme of arrangement (refer note 36)		(4,852.03)	(29,649.20)	(29,105.38)	(63,606.61)
Other comprehensive income (net of tax)		-	-	(6.57)	(6.57)
Total comprehensive income		(4,852.03)	(29,649.20)	(22,982.73)	(57,483.96)
Transfer to general reserve		-	-	-	-
Transactions with owners, recorded directly in equity					
Contributions by and distributions to owners					
Final dividend on equity shares	50	-	-	(735.76)	(735.76)
Dividend distribution tax on final dividend	50	-	-	(151.24)	(151.24)
Total contributions by and distributions to owners		-	-	(887.00)	(887.00)
Total transactions with owners		-	-	(887.00)	(887.00)
Balance as at 31 March 2019		-	-	31,908.15	31,908.15

Standalone Statement of Changes in Equity for the year ended 31 March 2019

Description, nature and purpose of reserve:

- (i) **Securities premium:** Securities premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs etc.
- (ii) **General reserve:** The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes or as allowed by the Companies Act, 2013.
- (iii) **Retained earnings:** Retained earnings are the profits by the company has earned till date, less any transfer to general reserve, dividends or other distributions paid to shareholders. It also includes remeasurement gain/loss of defined benefit plan.

Significant accounting policies

3

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration number: 101248W/W-100022

For and on behalf of Board of Directors of
Greenply Industries Limited
CIN: L20211AS1990PLC003484

Jayanta Mukhopadhyay
Partner
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Sanidhya Mittal
Joint Managing Director
DIN : 06579890

Mukesh Agarwal
Chief Financial Officer

Kaushal Kumar Agarwal
Company Secretary & VP-Legal

Place : Kolkata
Dated : 14 August 2019

Place : Kolkata
Dated : 14 August 2019

Notes to the Standalone Financial Statements for the year ended 31 March 2019

1. Reporting entity

Greenply Industries Limited (the 'Company') is a public company domiciled in India having its registered office situated at Makum Road, P.O. Tinsukia, Assam-786125, India. The Company has been incorporated under the provisions of the Companies Act, 1956 and its equity shares are listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. The Company is primarily involved in manufacturing of plywood and trading of plywood, wallcovers and allied products. For information relating to discontinued operations, refer note 36 and 37.

The Company has following subsidiary companies and joint ventures namely:

- Greenply Holdings Pte. Limited incorporated in Singapore. It has invested in a Joint Venture Company viz. Greenply Alkema (Singapore) Pte. Limited, incorporated in Singapore which is engaged in trading of veneers. Greenply Alkema (Singapore) Pte. Limited has invested in a wholly owned subsidiary company - Greenply Industries (Myanmar) Private Limited which is engaged in manufacturing and trading of veneer and lumber.
- Greenply Middle East Limited, incorporated in Dubai, is engaged in trading of veneers. It has invested in a wholly owned subsidiary company - Greenply Gabon SA, Gabon, West Africa which is engaged in manufacturing and trading of veneer and lumber.

2. Basis of preparation

a. Statement of compliance

These standalone financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended, notified under Section 133 of the Companies Act, 2013 ('Act') and other relevant provisions of the Act.

The standalone financial statements are authorised for issue by the Board of Directors of the Company at their meeting held on 14 August 2019. The standalone financial statements of the Company for the year ended 31 March 2019 were first approved by the Board of Directors on 30 May 2019. The standalone financial statements of the Company are being revised pursuant to an approved Scheme of Arrangement, the details of which are stated in note 36.

The details of the Company's accounting policies are included in note 3.

b. Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts have been rounded off to the nearest lakhs, unless otherwise stated.

c. Basis of measurement

The standalone financial statements have been prepared on historical cost basis, except for the following items:

Items	Measurement
Derivative financial instruments	Fair value
Certain financial assets and financial liabilities	Fair value
Net defined benefit (asset)/ liability	Present value of defined benefit obligations as per actuarial valuation

d. Use of estimates and judgements

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the standalone financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the standalone financial statements for the every period ended is included in the following notes:

- Note 4 – useful life and residual value of property, plant and equipment;
- Note 31 – measurement of defined benefit obligations: key actuarial assumptions;
- Note 35 – recognition of deferred tax assets;

Notes to the Standalone Financial Statements for the year ended 31 March 2019

- Note 39 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 44 – impairment of financial assets: key assumptions used in estimating recoverable cashflows

e. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management has overall responsibility for overseeing all significant fair value measurements and regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation matters are reported to the Company's audit committee.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 43.

3. Significant accounting policies

a. Current and non-current classification

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12

Notes to the Standalone Financial Statements for the year ended 31 March 2019

months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

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

Operating cycle

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

b. Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the Company at the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences are recognised in the Statement of Profit and Loss in the period in which they arise, except for exchange differences on long term foreign currency monetary items accounted for in accordance with exemption availed by the Company under Ind AS 101.

The Company has exercised the option available to it under Para 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". On transition to Ind AS, aforesaid option is not available for long-term foreign currency monetary items availed/entered into/accounted for after 1 April 2016.

c. Financial instruments

(i) Recognition and initial measurement

All financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. Trade receivables are initially measured at transaction price.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified and measured at:

- Amortised cost; or
- Fair value through Profit or Loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

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

Notes to the Standalone Financial Statements for the year ended 31 March 2019

Financial assets at FVTPL

All financial assets which are not classified and measured at amortised cost or Fair value through other comprehensive income (FVOCI) as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest (SPPI).

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.

Investments in subsidiaries are carried at cost in standalone financial statements

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL.

Financial liabilities through FVTPL

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Financial liabilities at amortised cost

Other financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method. Interest expense and foreign exchange gains and losses are recognised in the Standalone Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Standalone Statement of Profit and Loss.

Notes to the Standalone Financial Statements for the year ended 31 March 2019

Financial guarantee liabilities

Financial guarantees issued by the Company are those contracts that require payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value net off transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

(iii) Derecognition

Financial assets

The Company derecognises a financial asset:

- when the contractual rights to the cash flows from the financial asset expire, or
- it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Statement of Profit and Loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Derivative financial instruments

The Company holds derivative financial instruments, such as foreign currency forward contracts, interest rate swaps, to hedge its foreign currency and interest rate risk exposures.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative."

d. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Borrowing costs directly attributable to the acquisition or construction of those qualifying property, plant and equipment, which necessarily take a substantial period of time to get ready for their intended use, are capitalised. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate components of property, plant and equipment.

Notes to the Standalone Financial Statements for the year ended 31 March 2019

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss. Property, plant and equipment under construction are disclosed as Capital work-in-progress. Assets retired from active use and held for disposal are stated at the lower of their net book value and fair value less cost to sell and shown under 'Current assets'.

Foreign currency exchange differences on loans used for purchases of property, plant and equipment prior to 1 April 2016, are continued to be capitalised as per policy stated in note 3(b) above.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation

Depreciation for the year is recognised in the Statement of Profit and Loss. Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight line method, in the manner specified in Part C of Schedule II of the Act. The estimated useful lives of items of property, plant and equipment are consistent with the Schedule II of the Companies Act, 2013.

Assets acquired under finance lease are depreciated over the shorter of the lease term and their useful life unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

Freehold land is not depreciated. Leasehold land (includes development cost) is amortised on a straight line basis over the period of respective lease, except leasehold land acquired on perpetual lease.

Useful lives and residual values are reviewed at each financial year end and adjusted as appropriate.

Depreciation on additions (discard/disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (discarded/disposed off).

e. Other Intangible assets

(i) Recognition and measurement

Acquired Intangible assets:

Intangible assets are initially measured at cost and subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

Internally generated intangible assets:

Expenditure pertaining to research is expensed out as an when incurred. Expenditure incurred on development is capitalised if such expenditure leads to creation of an asset, otherwise such expenditure is charged to statement of profit and loss

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

(iii) Amortisation

Amortisation is the systematic allocation of the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in Statement of Profit and Loss.

The estimated useful lives are as follows:

- Trademarks 5 years
- Computer software 5 years
- Technical know-how 3 years

Useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

Notes to the Standalone Financial Statements for the year ended 31 March 2019

f. Inventories

Inventories which comprise raw materials, work-in-progress, finished goods, stock-in-trade, packing materials, stores and spares are measured at the lower of cost and net realisable value.

The cost of inventories is ascertained on the 'weighted average' basis. Cost comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Excise duty was included in the valuation of closing inventory of finished goods up to 30 June 2017, before the implementation of Goods and Services Tax.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

In the case of finished goods and work-in-progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

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

Assessment of net realisable value is made at each subsequent reporting date. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the amount of the write-down is reversed.

g. Impairment

(i) Impairment of financial instruments: financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivable with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in Statement of Profit and Loss.

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including subsequent information. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Notes to the Standalone Financial Statements for the year ended 31 March 2019

(ii) Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets (e.g. corporate office for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

h. Non-current assets or disposal group held for sale and discontinued operations

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Company's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the Standalone Balance Sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Standalone Balance Sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the Standalone Statement of Profit and Loss.

Notes to the Standalone Financial Statements for the year ended 31 March 2019

i. Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into Employees' Provident Fund established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions under employee provident fund to Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Standalone Statement of Profit and Loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed quarterly by an independent qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements. The Company recognises all actuarial gains and losses arising from defined benefit plan immediately in the Standalone Statement of Profit and Loss.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other comprehensive income (OCI). The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Standalone Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the Standalone Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iv) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Such benefits are in form of leave encashment that accrue to employees in return of their service. The calculation of other long term employee benefits is performed by an independent qualified actuary using the projected unit credit method. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other comprehensive income (OCI). Net interest expense and other expenses related to defined benefit plans are recognised in the Standalone Statement of Profit and Loss.

Notes to the Standalone Financial Statements for the year ended 31 March 2019

(v) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

j. Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

k. Revenue

(i) Sale of goods

Effective 1 April 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method and applied the same to contracts that were not completed as of 1 April 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted – i.e. the comparative information continues to be reported under Ind AS 18. Refer note 3 (k) of the standalone financial statements - Significant accounting policies – 'Revenue- Sale of goods' in the Annual report of the Company for the year ended 31 March 2018, for the revenue recognition policy as per Ind AS 18. The following is a summary of new and/or revised significant accounting policies related to revenue recognition. The effect on adoption of Ind AS 115 was insignificant.

The Company manufactures, sells and trade in plywood and allied products and wall covers, solid surface, etc. Revenue from sale of goods is recognised when control of the products being sold has transferred, being when the products are delivered to the dealer, the dealer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the dealer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risk of obsolescence and loss have been transferred to the dealer, and either the dealer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

The products are often sold with retrospective volume discounts based on aggregate sales over a 12 months period, cash discount on payment within specified period, promotional gift on achieving specific targets, quality claims if claims made in the specified period and other promotional expenses such as tours and travel packages to dealer, etc. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts, cash discounts, quality claims and promotional expenses. Accumulated experience is used to estimate and provide for the discounts/claims/provisions, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability (netted off with trade receivables) is recognised for expected volume discount payables, expected cash discount payables and expected quality claims to dealers in relation to sale made until the end of reporting period. Provision (included in other current liabilities) is recognised for expected sales promotional expenses against the sales made until the end of reporting period. No element of financing is deemed present as the sales are made with a credit term of 30-90 days, which is consistent with market practice.

Generally, the Company receives short term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised goods to the customer and when the customer pays for that goods will be one year or less.

Notes to the Standalone Financial Statements for the year ended 31 March 2019

(ii) Insurance claim

Insurance claims are accounted for on acceptance basis.

I. Government Grants

Grants from Government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with the conditions attached thereto.

Government grants related to revenue are recognised in the Statement of Profit and Loss on a systematic and rational basis in the periods in which the Company recognises the related costs for which the grants are intended to compensate and are netted off with the related expenditure. If not related to a specific expenditure, it is taken as income and presented under "Other Operating Revenue".

Government grants relating to property, plant and equipment are treated as deferred income and are credited to the statement of profit and loss on a systematic basis over the expected useful life of the related asset to match them with the costs for which they are intended to compensate and presented as other income.

m. Leases

(i) Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

(ii) Assets held under leases

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's Balance Sheet.

(iii) Lease payments

Payments made under operating leases are generally recognised in Statement of Profit and Loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease. Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

n. Recognition of dividend income, interest income or expense

Dividend income is recognised in Statement of Profit and Loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial

Notes to the Standalone Financial Statements for the year ended 31 March 2019

assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

o. Income tax

Income tax expense comprises of current tax and deferred tax. Current tax and deferred tax is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are off set only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (tax base). Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill."

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to off set current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

In case of tax payable as Minimum Alternative Tax ("MAT") under the provisions of the Income-tax Act, 1961, the credit available under the Act in respect of MAT paid 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 period

Notes to the Standalone Financial Statements for the year ended 31 March 2019

for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

p. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

q. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

r. Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors of the Company.

s. Cash and cash equivalents

Cash and cash equivalents include cash and cash-on-deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

t. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

u. Earnings per share

Basic earnings per share is 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.

v. Operating segment

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance. The CODM consists Executive Chairman cum Managing Director, Joint Managing Director and Chief Financial Officer.

The Company has currently two reportable segments namely:

- i) Plywood and allied products
- ii) Medium density fibreboards and allied products

w. Determination of fair values

Fair values have been determined for measurement and disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Notes to the Standalone Financial Statements for the year ended 31 March 2019

(i) Non-derivative financial assets

Non-derivative financial assets are initially measured at fair value. If the financial asset is not subsequently accounted for at fair value through profit or loss, then the initial measurement includes directly attributable transaction costs. These are measured at amortised cost or at FVTPL. Investments in quoted equity instruments are measured at FVTPL.

(ii) Trade and other receivables

The fair values of trade and other receivables are estimated at the present value of future cash flows, discounted at the market rate of interest at the measurement date. Short-term receivables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and, for disclosure purposes, at each annual reporting date.

(iii) Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

(iv) Other non-derivative financial liabilities

Other non-derivative financial liabilities are measured at fair value, at initial recognition and for disclosure purposes, at each annual reporting date. Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

x. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognise a contingent liability but discloses its existence in the standalone financial statements.

3A. Standards issued but not yet effective

In March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019, notifying Ind AS 116 'Leases' and amendments to certain IND AS. The Standard / amendments are applicable to the Company with effect from 1st April 2019.

Ind AS 116 - Leases

I The Company is required to adopt Ind AS 116, Leases from 1 April 2019. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, Leases.

The Company has completed an initial assessment of the potential impact on its financial statements but has not yet completed its detailed assessment. The quantitative impact of adoption of Ind AS 116 on the financial statements in the period of initial application is not reasonably estimable as at present.

The Company will recognise new assets and liabilities for its operating leases of land and vehicles. The nature of expenses related to those leases will now change because the Company will recognise a depreciation charge for right-of-use assets and interest expense on lease liabilities.

Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

In addition, the Company will no longer recognise provisions for operating leases that it assesses to be onerous. Instead, the Company will include the payments due under the lease in its lease liability and apply Ind AS 36, Impairment of Assets to determine whether the right-of-use asset is impaired and to account for any impairment.

Notes to the Standalone Financial Statements for the year ended 31 March 2019

Transition to Ind AS 116

The Company plans to apply Ind AS 116 with modified retrospective approach with cumulative effect of applying the standard, recognised on the date of initial application (1 April 2019). The Company will elect to apply the standard to contracts that were previously identified as leases applying Ind AS 17. The Company will therefore not apply the standard to contracts that were not previously identified as containing a lease applying Ind AS 17.

The Company will elect to use the exemptions proposed by the standard on lease contracts for which the lease terms ends within 12 months as of the date of initial application, and lease contracts for which the underlying asset is of low value.

The Company intends to adopt this standard. However, adoption of this standard is not likely to have a significant impact in the Standalone financial statements.

II Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

III Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.

IV Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

V Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

Notes to the Standalone Financial Statements for the year ended 31 March 2019

4. Property, plant and equipment

See accounting policy in note 3(d) and (g).

(a) Reconciliation of carrying amount

(₹ in Lakhs)

	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
Cost (Gross carrying amount)							
Balance at 1 April 2017	4,884.38	13,565.08	50,945.49	2,166.33	3,117.14	1,574.30	76,252.72
Additions	6.60	445.69	1,364.82	170.60	1,350.44	164.40	3,502.55
Disposals/ discard	(50.72)	(371.44)	(1,167.28)	(15.03)	(747.03)	(20.64)	(2,372.14)
Balance at 31 March 2018	4,840.26	13,639.33	51,143.03	2,321.90	3,720.55	1,718.06	77,383.13
Balance at 1 April 2018	4,840.26	13,639.33	51,143.03	2,321.90	3,720.55	1,718.06	77,383.13
Balance transferred pursuant to scheme of arrangement (refer note 36)	(4,792.75)	(6,078.97)	(41,536.25)	(1,163.33)	(2,013.51)	(905.18)	(56,489.99)
Additions	-	2,059.30	3,420.98	355.77	342.66	65.49	6,244.20
Disposals/ discard	-	(6.83)	(500.93)	(15.02)	(354.73)	(23.28)	(900.79)
Balance at 31 March 2019	47.51	9,612.83	12,526.83	1,499.32	1,694.97	855.09	26,236.55
Accumulated depreciation							
Balance at 1 April 2017	-	2,963.32	20,985.08	681.89	946.90	747.78	26,324.97
Depreciation for the year	-	424.06	3,091.17	214.84	363.27	304.21	4,397.55
Adjustments/ disposals	-	(42.84)	(864.01)	(7.17)	(116.07)	(18.97)	(1,049.06)
Balance at 31 March 2018	-	3,344.54	23,212.24	889.56	1,194.10	1,033.02	29,673.46
Balance at 1 April 2018	-	3,344.54	23,212.24	889.56	1,194.10	1,033.02	29,673.46
Balance transferred pursuant to scheme of arrangement (refer note 36)	-	(1,868.65)	(17,465.48)	(483.40)	(661.98)	(510.37)	(20,989.88)
Depreciation for the year	-	282.66	1,109.12	118.00	198.91	133.32	1,842.01
Adjustments/ disposals	-	(6.48)	(313.80)	(2.88)	(188.01)	(13.95)	(525.12)
Balance at 31 March 2019	-	1,752.07	6,542.08	521.28	543.02	642.02	10,000.47
Carrying amounts (net)							
Balance at 31 March 2018	4,840.26	10,294.79	27,930.79	1,432.34	2,526.45	685.04	47,709.67
Balance at 31 March 2019	47.51	7,860.76	5,984.75	978.04	1,151.95	213.07	16,236.08

(b) Security

As at 31 March 2019, property, plant and equipment with a carrying amount of ₹9,751.50 lakhs (31 March 2018: ₹42,586.90 lakhs) are subject to first charge to secured borrowings (see note 19 and 36).

(c) For contractual commitment with respect to property, plant and equipment, refer note 39.

Notes to the Standalone Financial Statements for the year ended 31 March 2019

5. Capital work-in-progress

See accounting policy in note 3(d) and (g)

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
At the beginning of the year	77,040.12	21,610.81
Balance transferred pursuant to scheme of arrangement (refer note 36)	(73,348.65)	-
Additions during the year	296.27	55,461.68
Capitalised during the year	(3,546.35)	(32.37)
At the end of the year	441.39	77,040.12
Capital work-in-progress includes:		
Expenditure incurred during construction period pending allocation on new manufacturing facility of the Company:		
At the beginning of the year	7,323.79	1,662.15
Balance transferred pursuant to scheme of arrangement (refer note 36)	(7,056.15)	-
Additions during the year:		
Finance costs	23.85	4,073.47
Employees benefits expense	-	728.56
Legal and professional fees	-	674.84
Miscellaneous expenses	-	105.37
Power and Fuel	-	79.40
	23.85	5,661.64
Less: Capitalised during the year	174.68	-
At the end of the year	116.81	7,323.79

Note:

- (a) General borrowing costs capitalised during the year amounted to ₹Nil (31 March 2018: ₹850.43 lakhs), with a capitalisation rate of ₹Nil (31 March 2018: 9.37% p.a.)
- (b) As at 31 March 2019, properties under capital work-in-progress with a carrying amount of ₹206.32 lakhs (31 March 2018: ₹76,922.75 lakhs) are subject to first charge to secured borrowings (see note 19 & 36).

6. Other intangible assets

See accounting policy in note 3(e) and (g)

(a) Reconciliation of carrying amount

(₹ in Lakhs)

	Licenses (indefinite life)	Trade marks	Computer software	Technical knowhow	Total
Cost (Gross carrying amount)					
Balance at 1 April 2017	-	22.87	687.49	45.20	755.56
Additions	395.00	-	74.34	-	469.34
Disposals/ discard	-	-	(3.93)	(45.20)	(49.13)
Balance at 31 March 2018	395.00	22.87	757.90	-	1,175.77
Balance at 1 April 2018	395.00	22.87	757.90	-	1,175.77
Balance transferred pursuant to scheme of arrangement (refer note 36)	-	-	(222.01)	-	(222.01)
Additions	175.35	-	4.62	-	179.97
Disposals/ discard	-	-	(6.28)	-	(6.28)
Balance at 31 March 2019	570.35	22.87	534.23	-	1,127.45
Accumulated amortisation					
Balance at 1 April 2017	-	6.89	504.17	41.99	553.05
Amortisation for the year	-	4.58	76.07	3.21	83.86
Adjustments/ disposals	-	-	(3.89)	(45.20)	(49.09)
Balance at 31 March 2018	-	11.47	576.35	-	587.82
Balance at 1 April 2018	-	11.47	576.35	-	587.82
Balance transferred pursuant to scheme of arrangement (refer note 36)	-	-	(104.88)	-	(104.88)
Amortisation for the year	-	4.58	25.14	-	29.72

Notes to the Standalone Financial Statements for the year ended 31 March 2019

6. Other intangible assets (contd.)

(₹ in Lakhs)

	Licenses (indefinite life)	Trade marks	Computer software	Technical knowhow	Total
Adjustments/ disposals	-	-	(2.85)	-	(2.85)
Balance at 31 March 2019	-	16.05	493.76	-	509.81
Carrying amounts (net)					
Balance at 31 March 2018	395.00	11.40	181.55	-	587.95
Balance at 31 March 2019	570.35	6.82	40.47	-	617.64

Licenses (indefinite life):

For Licenses of the Company that are regarded to have indefinite useful lives represents license to set-up and operate wood peeling plant, medium density fibreboard plant and particle board plant. There is no foreseeable limit to the period over which these licenses will be valid and are expected to generate cash flows for the Company.

7. Investments

See accounting policy in note 3(c) and (g)

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Non-current investments		
Unquoted		
Equity instruments in subsidiaries carried at cost		
Nil (31 March 2018: 8,925,000) equity shares of Greenpanel Singapore Pte. Limited (Formally known as Greenply Trading Pte. Limited) (face value USD 1 each, fully paid-up) (refer note 36)	-	5,788.89
100 (31 March 2018: 100) equity shares of Greenply Middle East Limited, (face value AED 100,000 each, fully paid-up)	1,820.39	1,820.39
38,00,000 (31 March 2018: 25,000) equity shares of Greenply Holdings Pte. Limited (face value USD 1 each, fully paid-up)	2,401.83	16.74
Nil (31 March 2018: 1,000,000) equity shares of Greenpanel Industries Limited (face value ₹1 each, fully paid-up) (refer note 36)	-	10.00
	4,222.22	7,636.02
Quoted		
Equity instruments carried at fair value through profit and loss (FVTPL)		
3,400 (31 March 2018: 3,400) equity shares of Indian Overseas Bank Limited (face value ₹10 each, fully paid-up)	0.49	0.59
	4,222.71	7,636.61
Aggregate book value of quoted investments	0.49	0.59
Aggregate market value of quoted investments	0.49	0.59
Aggregate value of unquoted investments	4,222.22	7,636.02
Aggregate amount of impairment in value of investments	-	-

Information about the Company's fair value measurement and exposure to credit and market risks are disclosed in note 43 and 44.

8. Loans

(Unsecured, considered good)

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Non-current		
Security deposits	213.89	1,236.30
Loan to employees	32.47	38.00
To a related party - wholly owned subsidiary		
Loan to Greenply Middle East Limited (refer note 41)	2,211.52	1,625.13
	2,457.88	2,899.43
Current		
Loan to employees	44.65	138.47
	44.65	138.47
	2,502.53	3,037.90

For security deposits given to related parties, refer note 41

Notes to the Standalone Financial Statements for the year ended 31 March 2019

9. Non-current tax assets

See accounting policy in note 3(o)

	As at 31 March 2019	As at 31 March 2018
Income tax refundable [net of provisions for tax ₹19,426.22 lakhs (31 March 2018: ₹17,133.33 lakhs)]	418.61	153.49
	418.61	153.49

10. Inventories

(Valued at the lower of cost and net realisable value)

See accounting policy in note 3(f)

	As at 31 March 2019	As at 31 March 2018
Raw materials	6,387.75	9,484.57
[including in transit ₹1,132.24 lakhs (31 March 2018 ₹1,249.97 lakhs)]		
Work-in-progress	2,049.23	2,085.27
Finished goods	2,868.35	3,705.19
[including in transit ₹1,536.67 lakhs (31 March 2018 ₹1,630.91 lakhs)]		
Stock in trade	2,407.29	3,858.79
[including in transit ₹1,245.03 lakhs (31 March 2018 ₹1,226.27 lakhs)]		
Stores and spares	448.02	2,362.90
[including in transit ₹6.35 lakhs (31 March 2018 ₹83.62 lakhs)]		
	14,160.64	21,496.72

For carrying amount of inventories pledged as securities against borrowings, refer note 19.

The write-down of inventories to net realisable value during the year amounted to ₹Nil (31 March 2018: ₹371.32 lakhs). These are recognised as expenses during the respective period and included in changes in inventories of stock-in-trade

11. Trade receivables

	As at 31 March 2019	As at 31 March 2018
Current		
Unsecured		
- Considered good	28,825.64	29,261.64
- Credit impaired	16.22	93.72
	28,841.86	29,355.36
Less: Loss for allowances	504.63	915.44
Net trade receivables	28,337.23	28,439.92
Of the above :		
Trade receivables from related parties	65.31	877.07

Notes:

- No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.
- Information about the Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 44.
- For terms and conditions of trade receivables owing from related parties, see note 41.
- For receivables secured against borrowings, see note 19.

Notes to the Standalone Financial Statements for the year ended 31 March 2019

12. Cash and cash equivalents

See accounting policy in note 3(s)

	As at 31 March 2019	As at 31 March 2018
Cash on hand	23.47	39.22
Cheques in hand	1,331.95	247.60
Balances with banks		
- On current accounts	428.75	2,162.40
- On deposit accounts (with original maturities up to 3 months)	-	515.36
	1,784.17	2,964.58

13. Bank balances other than cash and cash equivalents

	As at 31 March 2019	As at 31 March 2018
Bank deposits due to mature after 3 months of original maturities but within 12 months of the reporting date*	22.13	31.34
Earmarked balances with banks for unpaid dividend accounts	3.90	4.02
	26.03	35.36

*Pledged/lodged with various government authorities as security

14. Other non-current assets

(Unsecured, considered good)

	As at 31 March 2019	As at 31 March 2018
Capital advances	42.74	1,100.67
Advances other than capital advances		
Unmatured finance charges	27.10	210.92
Leasehold land prepayments (refer note below)	2,626.51	4,089.54
Deposits against demand under appeal and/or under dispute	52.94	-
Amount due from government authorities	213.72	319.15
Security deposits	26.01	26.01
	2,989.02	5,746.29

Note:

Leasehold land prepayments relate to land leases classified as operating as the title is not expected to transfer at the end of the lease term and considering that the land has an indefinite economic life.

15. Other financial assets

(Unsecured, considered good)

	As at 31 March 2019	As at 31 March 2018
Non-current		
Government grants receivable (refer note 15.1)	2,230.66	2,001.73
Bank deposits due to mature after 12 months of the reporting date*	-	17.66
	2,230.66	2,019.39
Current		
Government grants receivable (refer note 15.2)	612.09	1,934.62
Insurance claim receivable	66.55	-
Export incentive receivable	-	11.74
Commission Receivable from Subsidiaries (refer note 41)	41.05	-
Interest receivable (refer note 41)	43.64	-
	763.33	1,946.36
	2,993.99	3,965.75

*Pledged/lodged with various government authorities as security

15.1 Government grant receivable includes excise duty refund receivable from department of excise ('the department') for Tizit unit, Nagaland amounting to ₹**2,001.73** lakhs (31 March 2018: ₹2,001.73 lakhs). As per notification 32/1999 dated 8 July 1999 issued by Central Excise, the unit was eligible for 100% refund of excise duty paid on sale of goods for 10 years. Notification 20/2007 dated 25 April 2007 further extended for a period

Notes to the Standalone Financial Statements for the year ended 31 March 2019

15. Other financial assets (contd.)

of 10 years. The department vide its notification 17/2008 dated 27 March 2008 revised the excise duty incentive from existing 100% to 36% for plywood industries. The Company had filed an appeal in Hon'ble Gauhati High Court for reduction in incentive by 64%, however, the excise department had filed a case before the Hon'ble Supreme court of India for stay of the proceedings before the Hon'ble Gauhati High Court. Based on the Supreme Court order dated 7 December 2015, the department refunded 50% of balance 64% to the Company. As on 31 March 2019, the case is pending with Hon'ble Supreme Court. Based on the independent legal opinion obtained by the management, the Company continues to believe that they have merit in the case to receive refund of balance excise duty from the department.

15.2 Government grant receivable represents incentives against scheme of budgetary support under Goods and Services Tax Regime for the unit set-up in Tizit, Nagaland. As on 31 March 2018, government grant receivable also includes for unit set up in Rudrapur-MDF Uttarakhand which was transferred under scheme of arrangement (refer note 36)

16. Other current assets

(Unsecured, considered good)

	As at 31 March 2019	As at 31 March 2018
To parties other than related parties		
Advances to suppliers	971.29	1,010.74
Advances to employees	32.36	30.45
Prepaid expenses	723.99	1,152.37
Unmatured finance charges	32.48	115.41
Leasehold land prepayments (refer note below)	48.58	48.58
Amount due from government authorities	120.52	4,343.67
	1,929.22	6,701.22

Note:

Leasehold land prepayments relate to land leases classified as operating as the title is not expected to transfer at the end of the lease term and considering that the land has an indefinite economic life.

17. Equity share capital

See accounting policy in note 3(q)

	As at 31 March 2019	As at 31 March 2018
Authorised		
160,000,000 (31 March 2018: 160,000,000) equity shares of ₹1 each	1,600.00	1,600.00
Issued, subscribed and fully paid-up		
122,627,395 (31 March 2018: 122,627,395) equity shares of ₹1 each	1,226.27	1,226.27

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

	As at 31 March 2019		As at 31 March 2018	
	Number	Amount	Number	Amount
Balance at the beginning and at the end of the year	12,26,27,395	1,226.27	12,26,27,395	1,226.27

(b) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares with par value of ₹1 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared by the Company from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

Note:

Shares held in abeyance

In compliance with the provisions of the Companies Act, 2013, 8,020 equity shares of the Company held by 6 shareholders have been held in abeyance.

Notes to the Standalone Financial Statements for the year ended 31 March 2019

17. Equity share capital (contd.)

(c) Particulars of shareholders holding more than 5% shares of fully paid up equity shares

Equity shares of ₹1 each	As at 31 March 2019		As at 31 March 2018	
	Number	%	Number	%
S.M. Management Private Limited	31,626,965	25.79%	31,626,965	25.79%
Prime Holdings Private Limited	12,042,800	9.82%	12,042,800	9.82%
HSBC Bank (Mauritius) Limited - Jwalamukhi Investment Holdings	11,787,720	9.61%	11,884,420	9.69%
Shiv Prakash Mittal and Shobhan Mittal - Trade Combines	11,702,380	9.54%	11,702,380	9.54%
SBI FMCG Fund	-	-	7,699,860	6.28%
HDFC Trustee Company Limited	10,425,455	8.50%	10,260,455	8.37%

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

(e) The Company for the period of five years immediately preceding the reporting date 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.

18. Other equity

	As at 31 March 2019	As at 31 March 2018
Securities premium		
Balance at the commencement of the year	4,852.03	4,852.03
Less: Amount adjusted pursuant to scheme of arrangement (refer note 36)	4,852.03	-
Balance at the end of the year	-	4,852.03
General reserve		
Balance at the commencement of the year	29,649.20	23,149.20
Add: Transfer from retained earnings	-	6,500.00
Less: Amount adjusted pursuant to scheme of arrangement (refer note 36)	29,649.20	-
Balance at the end of the year	-	29,649.20
Retained earnings		
Balance at the commencement of the year	55,777.88	49,474.55
Add: Profit for the year	6,129.22	13,569.46
Less: Transfer to general reserve	-	6,500.00
Less: Amount adjusted pursuant to scheme of arrangement (refer note 36)	29,105.38	-
Less: Dividend on equity shares	735.76	735.76
Less: Dividend distribution tax	151.24	149.78
Add: Remeasurements of the net defined benefit plans	(6.57)	119.41
Balance at the end of the year	31,908.15	55,777.88
	31,908.15	90,279.11

(a) Description, nature and purpose of reserve:

- Securities premium:** Securities premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs etc.
- General reserve:** The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes or as allowed by the Companies Act, 2013.
- Retained earnings:** Retained earnings are the profits by the company has earned till date, less any transfer to general reserve, dividends or other distributions paid to shareholders. It also includes remeasurement gain/loss of defined benefit plan.

Notes to the Standalone Financial Statements for the year ended 31 March 2019

19. Borrowings

See accounting policy in note 3(b) and (c)

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Non-current borrowings		
Secured		
Term loans		
From banks		
Foreign currency loans	-	33,387.86
Rupee loans	4,396.19	13,183.49
	4,396.19	46,571.35
Less: Current maturities of non-current borrowings (refer note 20)	1,098.37	1,993.51
	3,297.82	44,577.84
Loan against vehicles	539.08	1,623.58
Less: Current maturities of loan against vehicles (refer note 20)	220.68	416.95
	318.40	1,206.63
	3,616.22	45,784.47
Unsecured		
Loan against vehicles	-	203.33
Less: Current maturities of loan against vehicles (refer note 20)	-	77.09
	-	126.24
	3,616.22	45,910.71
Current borrowings		
Secured		
From banks		
Foreign currency loan - buyers credit	826.26	5,256.54
Rupee loans - repayable on demand	3,153.57	3,570.87
Rupee loans - bill discounting	3,418.93	4,319.77
	7,398.76	13,147.18
Unsecured		
From banks		
Channel finance assurance facility*	800.00	949.65
Rupee loans - bill discounting	1,130.36	2,651.03
	1,930.36	3,600.68
From others		
Channel finance assurance facility*	100.00	100.00
	100.00	100.00
	9,429.12	16,847.86

* The Company through banks and other source facilitate channel finance for inventory funding facility for its customers. Such arrangements do not qualify for de-recognition due to some liability of loss is still with the Company. Consequently at the year-end, the amount of liability of loss which remains with the Company are shown as unsecured loan.

Information about the Company's exposure to credit and currency risks, related to borrowings are disclosed in note 44.

(A) Terms of repayment

(₹ in Lakhs)

Name of the lender	Interest rate	Repayment schedule	Year of maturity	As at 31 March 2019	As at 31 March 2018
(i) Foreign currency term loans					
Landesbank Baden-Wurttemberg [EUR Nil (31 March 2018: EUR 368.81 lakhs)]	-	-	-	-	27,540.14
Standard Chartered Bank [USD Nil (31 March 2018: USD 90 lakhs)]	-	-	-	-	5,847.72
	-	-	-	-	33,387.86

Notes to the Standalone Financial Statements for the year ended 31 March 2019

19. Borrowings (contd.)

Name of the lender	Interest rate	Repayment schedule	Year of maturity	As at 31 March 2019	As at 31 March 2018
(ii) Rupee term loans					
HDFC Bank Limited	-	-	-	-	4,986.02
HDFC Bank Limited	3 year MCLR	Repayable at quarterly rest: 12 of ₹150.00 lakhs and 4 of ₹300.00 lakhs	2023-24	2,996.88	2,995.81
HDFC Bank Limited	1 year MCLR +0.60%	Repayable at quarterly rest: 7 of ₹200.00 lakhs	2020-21	1,399.31	2,198.68
State Bank of India	-	-	-	-	1,006.08
State Bank of India	-	-	-	-	997.85
IDBI Bank Limited	-	-	-	-	999.05
				4,396.19	13,183.49
Total				4,396.19	46,571.35

(B) Details of security

- Term loans from Landesbank Baden-Wurttemberg, Standard Chartered Bank, HDFC Bank Limited and State Bank of India were transferred pursuant to scheme of arrangement (refer note 36).
- Other term loans of ₹4,396.19 lakhs (31 March 2018: ₹6,193.54 lakhs) are secured by:
 - First pari-passu charge on immovable fixed assets of the Company situated at Kriparampur (West Bengal).
 - First pari passu charge on all movable fixed assets of the Company, present and future, except assets specifically charged to other lenders.
 - Second pari passu charge on all the current assets of the Company.
- Secured Loan against vehicles are in respect of finance of vehicles, secured by hypothecation of the respective vehicles, which is repayable in 12 to 60 months and with interest rate ranging between 8.00% p.a to 10.40% p.a.
- Working capital loans comprises of Rupee loans- repayable on demand of ₹3,153.57 lakhs (31 March 2018: ₹3,570.87 lakhs) are secured by:
 - First pari passu charge on all the current assets of the Company.
 - Second pari passu charge on all movable fixed assets of the company, present and future, except assets specifically charged to other lenders.
 - Second pari-passu charge on immovable fixed assets of the Company situated at Kriparampur (West Bengal).
- Foreign currency loan - buyers credit of ₹826.26 lakhs (31 March 2018: ₹5,256.54 lakhs) and Rupee loans - bill discounting of ₹3,418.93 lakhs (31 March 2018: ₹4,319.77 lakhs) is secured by letter of credit/letter of undertaking issued by banks using fund based limit of the Company.

20. Other financial liabilities

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Non-current		
Security deposits from customers	16.50	1,153.03
Liability for capital goods	768.71	1,667.72
	785.21	2,820.75
Current		
Current maturities of non current borrowings (refer note 19)	1,098.37	1,993.51
Current maturities of loan against vehicles (refer note 19)	220.68	494.04
Interest accrued but not due on borrowings	12.14	105.98
Liability for capital goods	160.69	6,883.35
Employee benefits payable (refer note (c) below)	1,523.91	2,320.07
Unclaimed dividend	3.90	4.02
	3,019.69	11,800.97

Notes to the Standalone Financial Statements for the year ended 31 March 2019

20. Other financial liabilities (contd.) (₹ in Lakhs)

- (a) There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at 31 March 2019.
- (b) Information about the Company's exposure to currency and liquidity risks related to the above financial liabilities is disclosed in note 44.
- (c) It includes remuneration payable to related parties, refer note 41.

21. Provisions

See accounting policy in note 3(i) and (j) (₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Non-current		
Provisions for employee benefits		
Net defined benefit liability - gratuity	104.79	1,591.60
Liability for compensated absences	400.22	593.19
	505.01	2,184.79
Current		
Provisions for employee benefits		
Net defined benefit liability - gratuity	-	321.57
Liability for compensated absences	47.08	148.25
	47.08	469.82

22. Other non-current liabilities

	As at 31 March 2019	As at 31 March 2018
Deferred income on government grants	-	4,991.70

Government grants have been received for the import of certain items of property, plant and equipment and capital work in progress, under export promotion capital goods (EPCG) scheme of Government of India. The Company has certain export obligations against such benefits availed which the Company will fulfil within the required time period under the scheme. The said grants have been transferred under the scheme of arrangement (refer note 36)

23. Trade payables

	As at 31 March 2019	As at 31 March 2018
Dues to micro and small enterprises (refer note 48)	83.15	12.31
Dues to other than micro and small enterprises	20,614.90	21,024.71
Dues to related parties (refer note 41)	3,450.86	64.20
	24,148.91	21,101.22

Information about the Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 44.

24. Derivatives

See accounting policy in note 3(c)(v) (₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Derivative Liability		
Foreign exchange forward contracts	88.54	-
	88.54	-
Derivative Asset		
Foreign exchange interest rate swaps	-	125.97
Foreign exchange forward contracts	-	5.24
	-	131.21

Information about the Company's exposure to interest rate and currency risks related to derivatives is disclosed in note 44.

Notes to the Standalone Financial Statements for the year ended 31 March 2019

25. Other current liabilities

	As at 31 March 2019	As at 31 March 2018
Statutory dues	1,979.84	2,141.02
Deferred income on government grants (refer note below)	-	2,338.20
Advance from customers	450.93	889.18
	2,430.77	5,368.40

Note:

Government grants have been received for the import of certain items of property, plant and equipment and capital work in progress, under export promotion capital goods (EPCG) scheme of Government of India. The Company has certain export obligations against such benefits availed which the Company will fulfill within the required time period under the scheme. The said grants have been transferred under the scheme of arrangement (refer note 36)

26. Revenue from operations

See accounting policy in note 3(k) and (l) (₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Sale of products (including excise duty)		
Finished goods	92,749.54	58,849.77
Stock-in-trade	34,826.06	30,568.90
	1,27,575.60	89,418.67
Other operating revenue		
Government grants		
- Refund of goods and service tax and excise duty (refer note 49)	803.23	1,198.42
	803.23	1,198.42
	1,28,378.83	90,617.09

Post the applicability of Goods and Service Tax (GST) with effect from 1 July 2017, revenue from operations are disclosed net of GST, whereas excise duty formed part of revenue and expenses in previous year till 30 June 2017. Accordingly, revenue from operations and expenses for the year ended 31 March 2019 are not comparable with the previous year presented in the financial statements.

Reconciliation of revenue from sale of products with the contracted price

	Year ended 31 March 2019
Contracted price	1,34,180.10
Less : Trade discounts, volume rebates etc.	6,604.50
Sale of products	1,27,575.60

Disaggregated revenue information

The disaggregation of the Company's revenue from contracts with customers as under: (₹ in Lakhs)

Segment	Year ended 31 March 2019		
	Plywood and allied products	Others	Total
Type of goods:			
Finished goods	92,749.54	-	92,749.54
Stock-in-trade	34,129.04	697.02	34,826.06
Sale of products	1,26,878.58	697.02	1,27,575.60
Revenue by geography:			
- India	1,26,839.91	697.02	1,27,536.93
- Outside India	38.67	-	38.67
Total revenue from contracts with customers	1,26,878.58	697.02	1,27,575.60

Notes to the Standalone Financial Statements for the year ended 31 March 2019

26. Revenue from operations (contd.)

The reconciliation of the revenue from contracts with customers and other operating revenue is given below :

(₹ in Lakhs)

Segment	Year ended 31 March 2019		
	Plywood and allied products	Others	Total
Sale of goods:			
- External customers	1,26,878.58	697.02	1,27,575.60
- Inter-segment	-	-	-
Other operating revenue	803.23	-	803.23
	1,27,681.81	697.02	1,28,378.83
Inter-segment elimination	-	-	-
Less: Other operating revenue	(803.23)	-	(803.23)
Total revenue from contracts with customers	1,26,878.58	697.02	1,27,575.60

- a) The Company presented disaggregated revenue based on the type of goods sold to customers and location of customers. The Company's revenue is recognised for goods transferred at a point in time. The Company believes that the above disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are effected by industry, market and other economic factors.
- b) For contract balances i.e. trade receivables and advance from customers, refer note 11 and 25.

27. Other income

(₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Interest on fixed deposits with banks and others	7.45	13.77
Income from related party:		
- Interest on loan given to wholly owned subsidiaries (refer note 41)	181.05	93.73
- Commission on guarantee given to wholly owned subsidiaries and joint venture (refer note 41)	200.63	109.44
Liabilities no longer required written back	110.64	49.42
Rental income from property	0.60	0.60
Miscellaneous income	145.54	43.02
	645.91	309.98

28. Cost of materials consumed

(₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Inventory of raw materials at the beginning of the year	9,484.57	5,944.39
Balance transferred pursuant to scheme of arrangement (refer note 36)	(4,651.15)	
Add: Purchases	52,333.71	67,501.42
Less: Inventory of raw materials at the end of the year	(6,387.75)	(9,484.57)
	50,779.38	63,961.24
Less : Relates to transferred business shown under discontinued operation (refer note 37)	-	31,698.68
	50,779.38	32,262.56

29. Purchase of stock in trade

(₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Purchase of stock-in-trade	30,604.65	25,789.28
	30,604.65	25,789.28

Notes to the Standalone Financial Statements for the year ended 31 March 2019

30. Changes in inventories of finished goods, work-in-progress and stock in trade

See accounting policy in note 3(f)

(₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Opening inventories		
Finished goods	3,705.19	3,772.60
Stock in trade	3,858.79	2,461.59
Work-in-progress	2,085.27	1,605.75
Balance transferred pursuant to scheme of arrangement (refer note 36)	(3,536.78)	-
	6,112.47	7,839.94
Closing inventories		
Finished goods	2,868.35	3,705.19
Stock in trade	2,407.29	3,858.79
Work-in-progress	2,049.23	2,085.27
	7,324.87	9,649.25
	(1,212.40)	(1,809.31)
Less : Relates to transferred business shown under discontinued operation (refer note 37)	-	14.64
	-	(1,823.95)

31. Employees benefits expense

See accounting policy in note 3(i)

(₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Salaries, wages and bonus	12,614.05	9,690.83
Contribution to provident and other funds	544.80	525.18
Expenses related to post-employment defined benefit plan	245.32	314.58
Expenses related to compensated absences	340.41	183.88
Staff welfare expenses	306.07	352.45
	14,050.65	11,066.92

Salaries, wages and bonus includes ₹2,743.80 lakhs (31 March 2018 ₹2,811.68 lakhs) relating to outsource manpower cost.

Note:

- (a) **Defined contribution plan :** The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Standalone Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident fund aggregates to ₹489.64 lakhs (31 March 2018: ₹475.37 lakhs).

The Company contributes its Employee State Insurance (ESI) contribution with Employees' State Insurance Corporation (ESIC) maintained by Government agencies, contributions made by the Company for ESI is based on the current salaries. In the ESI scheme, contributions are also made by the employees. The annual contribution amount of ₹55.16 lakhs (31 March 2018: ₹49.81 lakhs) has been charged to the Standalone Statement of Profit and Loss in relation to the above defined contribution scheme.

- (b) **Defined benefit plan:** Retirement benefits in the form of gratuity is 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.

Notes to the Standalone Financial Statements for the year ended 31 March 2019

31. Employees benefits expense (contd.)

(c) Actuarial valuation of gratuity liability (₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Defined benefit cost		
Current service cost	150.99	252.91
Interest expense on defined benefit obligation	94.33	134.33
Defined benefit cost in Statement of Profit and Loss	245.32	387.24
Remeasurements from financial assumptions	21.96	4.81
Remeasurements from experience adjustments	(3.11)	(188.36)
Remeasurements from financial assumptions on plan assets	(8.75)	-
Defined benefit cost in Other Comprehensive Income (OCI)	10.10	(183.55)
Total defined benefit cost in Statement of Profit and Loss and OCI	255.42	203.69
Movement in defined benefit obligation		
Balance at the beginning of the year	1,913.17	1,825.45
Interest cost	94.33	134.33
Current service cost	150.99	252.91
Actuarial (gains)/ losses recognised in other comprehensive income	18.85	(183.55)
Benefits paid	(170.80)	(115.97)
Transferred pursuant to scheme of arrangement (refer note 36)	(602.65)	-
Balance at the end of the year	1,403.89	1,913.17
Movement in fair value of plan assets		
Balance at the beginning of the year	-	-
Employer contributions	1,461.15	-
Employer direct benefit payments	-	-
Benefit paid from employer	(170.80)	-
Remeasurements from financial assumptions on plan assets	8.75	-
Balance at the end of the year	1,299.10	-
Net asset/(liability) recognised in the Standalone Balance Sheet		
Present value of defined benefit obligation	(1,403.89)	(1,913.17)
Fair value of plan asset	1,299.10	-
Net asset/(liability)	(104.79)	(1,913.17)
Sensitivity analysis		
Salary escalation - Increase by 1%	1,521.34	2,071.86
Salary escalation - Decrease by 1%	1,300.06	1,773.68
Withdrawal rates - Increase by 1%	1,413.45	1,925.42
Withdrawal rates - Decrease by 1%	1,392.82	1,898.80
Discount rates - Increase by 1%	1,305.49	1,780.27
Discount rates - Decrease by 1%	1,516.50	2,066.16
Actuarial assumptions		
Mortality table	IALM 2006-2008	IALM 2006-2008
Discount rate (per annum)	7.70%	7.60%
Rate of escalation in salary (per annum)	6.00%	6.00%
Withdrawal rate	1% - 8%	1% - 8%
Expected benefit payments		
Not later than 1 year	220.62	77.09
Later than 1 year and not later than 5 years	723.09	401.25
More than 5 years	522.24	346.37
Weighted average duration of defined benefit obligation (in years)	4.80	5.06

(d) The Company's expected contribution during next year is ₹Nil Lakhs (31 March, 2018 ₹Nil Lakhs)

Notes to the Standalone Financial Statements for the year ended 31 March 2019

32. Finance costs

See accounting policy in note 3(p)

(₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Interest expense on financial liabilities measured at amortised cost	1,432.65	498.72
Other borrowing cost	71.79	135.09
Less: Finance cost capitalised (refer note 5)	(23.85)	-
	1,480.59	633.81

33. Depreciation and amortisation expense

See accounting policy in note 3(d)(iii) and (e)(iii)

(₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Depreciation of property, plant and equipment	1,842.01	4,397.55
Amortisation of intangible assets	29.72	83.86
	1,871.73	4,481.41
Less: Relates to transferred business disclosed under discontinued operation (refer note 37)	-	(2,937.08)
	1,871.73	1,544.33

34. Other expenses

(₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Consumption of stores and spares	1,163.17	692.63
Power and fuel	2,229.60	1,732.63
Rent (refer note 40)	958.13	634.84
Repairs to:		
- Buildings	137.76	141.40
- Plant and equipment	511.37	554.78
- Others	391.64	248.39
Insurance	207.80	167.54
Rates and taxes	136.04	238.71
Travelling expenses	1,019.23	844.17
Freight and delivery expenses	6,835.51	4,694.66
Export expenses	2.40	0.18
Advertisement and sales promotion	5,888.62	2,447.27
Commission paid to independent directors	27.50	30.07
Directors sitting fees	16.50	27.59
Payment to auditors [refer note 34 (i)]	64.00	46.80
Donation	17.48	18.35
Expenditure on corporate social responsibility [refer note 34 (ii)]	380.60	336.97
Loss on sale and discard of property, plant and equipment	201.71	495.19
Amortisation of leasehold land prepayments	29.88	7.31
Loss on fair valuation of investments at fair value through profit and loss	0.10	0.32
Loss allowance		
- Bad debts	205.32	29.59
- loss allowance	(108.95)	165.44
	96.37	195.03
Foreign exchange fluctuations (net)	77.32	30.75
Miscellaneous expenses	1,776.37	1,483.65
	22,169.10	15,069.23

Notes to the Standalone Financial Statements for the year ended 31 March 2019

34. Other expenses (contd.)

	Year ended 31 March 2019	Year ended 31 March 2018
As auditors:		
- Statutory audit fees	35.00	35.00
- Limited review of quarterly results	6.00	4.25
In other capacity		
- Certification fees*	1.87	1.67
- Other services	17.58	4.15
Reimbursement of expenses	3.55	1.73
	64.00	46.80

* Payment to auditors for the year ended 31 March 2018 includes payment made to erstwhile auditor of the Company amounting to ₹0.25 lakhs towards limited review of 1st quarter results and ₹0.87 lakhs towards certification fees.

34 (ii) Details of corporate social responsibility (CSR) expenditure (₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
(a) Gross amount required to be spent by the Company during the year	379.59	341.69
(b) Amount spent during the year in cash on :		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above		
- Contribution towards Plantation activities	56.10	73.43
- Contribution to trust i.e. Greenply Foundation	324.50	263.54
	380.60	336.97
Amount yet to be paid in cash	-	4.72

35. Income tax and deferred tax net (assets) / liability

See accounting policy in note 3(o) (₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
(a) Amount recognised in Profit and Loss		
Current tax	2,292.90	1,029.72
Earlier years tax	-	(41.04)
Income tax	2,292.90	988.68
Deferred tax	707.09	(977.59)
Mat credit utilised	151.83	1,362.08
Deferred tax	858.92	384.49
Tax expense of continuing operation in Statement of Profit and Loss	3,151.82	1,373.17
Tax expense of discontinued operation in Statement of Profit and Loss	-	3,977.46
	3,151.82	5,350.63
Deferred tax in other comprehensive income	(3.53)	64.14
Tax expense in Total Comprehensive Income	3,148.29	5,414.77
(b) Reconciliation of effective tax rate for the year		
Profit before tax from continuing operation	9,281.04	4,885.29
Profit before tax from discontinued operation	-	14,034.80
Applicable Income tax rate	34.944%	34.608%
Computed tax expense	3,243.17	6,547.86
Tax impact relating to :		
Tax exempt income/ Additional deduction as per income tax	59.75	(1,356.49)
Non-deductible expenses for tax purposes	(148.58)	136.64
Other differences	(2.52)	22.62
Tax expense in Statement of Profit and Loss	3,151.82	5,350.63
Tax expense of continuing operation in Statement of Profit and Loss	3,151.82	1,373.17
Tax expense of discontinued operation in Statement of Profit and Loss	-	3,977.46
	3,151.82	5,350.63

Notes to the Standalone Financial Statements for the year ended 31 March 2019

35. Income tax and deferred tax net (assets) / liability (contd.)

(₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
(c) Movement in deferred tax liabilities and assets balances:		
Deferred tax liabilities	312.41	4,696.72
Less: Deferred tax assets	(723.36)	(2,051.53)
Net deferred tax (assets)/liabilities	(410.95)	2,645.19

(d) Movement in deferred tax (asset) / liability (₹ in Lakhs)

Movement in deferred tax asset / liability	1 April 2018	Balance transferred pursuant to scheme of demerger (refer note 36)	Movement through Statement of Profit and Loss	Movement through Other Comprehensive income	Adjustment with income tax for earlier years	31 March 2019
Deferred tax liabilities						
Property, plant and equipment and intangible assets	4,696.72	(4,440.56)	56.25	-	-	312.41
Deferred tax assets						
Provisions for employee benefits	(1,208.16)	438.31	576.07	(3.53)	-	(197.31)
Expenses allowed for tax purposes when paid	(220.90)	-	-	-	-	(220.90)
Loss allowance on trade receivables	(392.26)	90.64	76.61	-	-	(225.01)
Other temporary differences	(78.38)	0.08	(1.84)	-	-	(80.14)
Minimum Alternate Tax (MAT) credit	(151.83)	-	151.83	-	-	-
	2,645.19	(3,911.53)	858.92	(3.53)	-	(410.95)

(₹ in Lakhs)

Movement in deferred tax asset / liability	1 April 2017	Movement through Statement of Profit and Loss	Movement through Other Comprehensive income	Adjustment with income tax for earlier years	31 March 2018
Deferred tax liabilities					
Property, plant and equipment and intangible assets	4,532.58	164.14	-	-	4,696.72
Deferred tax assets					
Provisions for employee benefits	(1,147.49)	(124.81)	64.14	-	(1,208.16)
Expenses allowed for tax purposes when paid	(208.30)	(12.60)	-	-	(220.90)
Loss allowance on trade receivables	(338.90)	(53.36)	-	-	(392.26)
Other temporary differences	(27.95)	(50.43)	-	-	(78.38)
Minimum Alternate Tax (MAT) credit	(1,407.59)	1,362.08	-	(106.32)	(151.83)
	1,402.35	1,285.02	64.14	(106.32)	2,645.19

36. Composite Scheme of Arrangement

(a) Description

Pursuant to the Composite Scheme of Arrangement (the 'Scheme'), duly sanctioned by the National Company Law Tribunal (NCLT), Guwahati Bench vide Order dated 28 June 2019 ("Order"), with effect from the Appointed Date i.e., 1st April 2018, the Medium Density Fiberboards and allied products business of Chittoor unit, Andhra Pradesh and Medium Density Fiberboards, Plywood and allied products business of Pantnagar unit, Uttarakhand, branches/administrative and marketing offices of the above respective businesses of the Company ('the transferred business') including investment in wholly owned subsidiary - Greenpanel Singapore Pte Ltd., Singapore (formerly known as Greenply Trading Pte. Limited), excluding investments of Greenpanel Singapore Pte. Limited in Greenply Alkema (Singapore) Pte. Limited (registered in Singapore) of USD 37,50,000 (37,50,000 ordinary shares of USD 1 each), stands transferred into the "Greenpanel Industries Limited", wholly owned subsidiary ('the resulting company' or 'Greenpanel').

The standalone financial statements of the Company for the year ended 31 March 2019 were approved by the Board of Directors at its meeting held on 30 May 2019 without giving effect to the Scheme considering pending receipt of the order from the NCLT. On receipt of the order dated 28 June 2019 from NCLT sanctioning the Scheme, with appointed date 1 April 2018, and upon filing the same with Registrar of Companies, Assam on 1 July 2019 the Scheme has become effective. Accordingly, the standalone financial statements approved on 30 May 2019 by the Board of Directors has been revised by the Company to give effect to the aforesaid Order from the Appointed date of 1 April 2018.

Notes to the Standalone Financial Statements for the year ended 31 March 2019

36. Composite Scheme of Arrangement (contd.)

As per the order, the Scheme has been considered in these standalone financial statements by transferring the carrying amount of assets and liabilities pertaining to the transferred business with effect from the Appointed Date.

Further, the standalone statement of profit and loss for the year ended 31 March 2018 have been restated by the management to give effect of the Scheme. The transferred business as defined in the 'Scheme' have been disclosed as 'Discontinued Operations' in the standalone financial statements for the year ended 31 March 2018, as per the requirements of Ind AS 105 (refer note 37).

- (b) The whole of the assets and liabilities of the transferred business became the assets and liabilities of the resulting company and were transferred at their book value as per the Order, as appearing in the books of the Company with effect from the appointed date (i.e. 1 April 2018). The details of assets and liabilities transferred to the resulting company are as under:

(₹ in Lakhs)

	As at 1 April 2018
Non-current assets	
Property, plant and equipment (net of accumulated depreciation)	35,500.11
Capital work-in-progress	73,348.65
Other intangible assets (net of accumulated amortisation)	117.13
Financial assets	
Investments	3,432.00
Loans	1,042.39
Other non-current assets	2,319.98
	1,15,760.26
Current assets	
Inventories	10,207.37
Financial assets	
Trade receivables	5,729.99
Cash and cash equivalents	398.88
Bank balances other than cash and cash equivalents	33.65
Loans	81.44
Derivatives	125.97
Other financial assets	1,501.86
Other current assets	4,747.26
	22,826.42
Total assets of transferred business (A)	1,38,586.68
Non-current liabilities	
Financial liabilities	
Borrowings	40,919.40
Other financial liabilities	1,057.53
Provisions	786.77
Deferred tax liabilities (net)	3,911.53
Other non-current liabilities	4,991.70
	51,666.93
Current liabilities	
Financial liabilities	
Borrowings	3,047.50
Trade payables	8,653.13
Other financial liabilities	7,812.17
Other current liabilities	3,603.65
Provisions	196.69
	23,313.14
Total liabilities of transferred business (B)	74,980.07
Net amount adjusted through corresponding debit to other equity as per the Order (A-B)	63,606.61

Notes to the Standalone Financial Statements for the year ended 31 March 2019

36. Composite Scheme of Arrangement (contd.)

- (c) Pursuant to the Order, the difference between the book value of the assets and liabilities transferred to the resulting company (Greenpanel) has been debited to the following reserves of the the Company: (₹ in Lakhs)

Particulars	Amount
Securities premium	4,852.03
General reserve	29,649.20
Retained earnings	29,105.38
	63,606.61

- (d) Details of the contingent liabilities and commitments transferred to the resulting company are as under:

(₹ in Lakhs)

Particulars	Amount
Claims against the Company not acknowledged as debts:	
(i) Excise duty, sales tax and other indirect tax in dispute	983.39
Capital and other commitments	
(i) Estimated amount of export obligations to be fulfilled in respect of goods imported under advance license/ Export Promotion Capital Goods scheme (EPCG)	45,596.47
(ii) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	4,145.24

- (e) Pursuant to the Scheme, Greenpanel Industries Limited issued and allotted equity shares to the shareholders of the Company whose name appears in the register of members of the Company as on the record date (i.e. 15 July 2019), 1(one) equity share of ₹1 each in Greenpanel credited as fully paid up for every 1 (one) equity share of ₹1 each held by them in the Company. Consequent to the allotment of new shares as per the Scheme, current investment of 10 lakhs equity shares of ₹1 each of the Greenpanel amounting to ₹10.00 lakhs held by the Company stands cancelled. Greenpanel has ceased to be subsidiary of the Company.
- (f) The transactions pertaining to the transferred business of the Company from the appointed date upto the effective date of the Scheme have been deemed to be made by Greenpanel.
- (g) As per the Order, the immovable assets of the Company stands free from all charges, mortgages and encumbrances relating to liabilities relating to transferred business which stands transferred to Greenpanel. The Company had created charges over its immovable assets (including those which now belong to Greenpanel) under section 77 of the Companies Act, 2013 in respect of certain credit facilities taken from various banks for itself and for various undertakings of Greenpanel. As the legal ownership of the immovable assets of Greenpanel have not yet been transferred to Greenpanel, the Company continues to enjoy credit facilities by the subsisting charges, mortgages and encumbrances over such assets. Vice-versa, Greenpanel 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 of the respective Companies in terms of the applicable provisions of the Companies Act, 2013, the banks of the Company shall continue to hold their respective charge over the immovable assets of the Greenpanel.

37. Discontinued Operations

- (a) Financial information relating to the discontinued operations i.e. transferred businesses of the Company to the resulting company as defined in the Scheme for the period to the appointed date is set out below:

(₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
I. Revenue from operations	-	79,796.46
II. Other income	-	68.22
III. Total income (I+II)	-	79,864.68
IV. Expenses		
Cost of materials consumed	-	31,698.68
Purchase of stock in trade	-	464.50
Changes in inventories of finished goods, work-in-progress and stock in trade	-	14.64
Excise duty	-	877.39
Employees benefits expense	-	7,453.32

Notes to the Standalone Financial Statements for the year ended 31 March 2019

37. Discontinued Operations (contd.)

	Year ended 31 March 2019	Year ended 31 March 2018
Finance costs	-	313.42
Depreciation and amortisation expense	-	2,937.08
Other expenses	-	22,070.85
Total expenses (IV)	-	65,829.88
V. Profit from discontinued operations before tax (III - IV)	-	14,034.80
VI. Tax Expense of discontinued operation	-	(3,977.46)
VII. Profit for the year from discontinued operation (V-VI)	-	10,057.34

(b) The net cash flows attributable to the discontinued operations are as follows: (₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Net cash inflow from operating activities	-	11,421.51
Net cash outflow from investing activities	-	(26,359.86)
Net cash outflow from financing activities	-	10,222.66
Net (decrease)/increase in cash and cash equivalents	-	(4,715.69)
Cash and cash equivalents at 1 April 2017 (refer note 12)	-	5,114.57
Cash and cash equivalents at 31 March 2018 (refer note 12)	-	398.88

38. Earnings per share

	Year ended 31 March 2019	Year ended 31 March 2018
Basic and diluted earnings per share from continuing operations		
(i) Profit for the year, attributable to the equity shareholders	6,129.22	3,512.12
(ii) Weighted average number of equity shares		
- Number of equity shares at the beginning of the year	122,627,395	122,627,395
- Number of equity shares at the end of the year	122,627,395	122,627,395
Weighted average number of equity shares	122,627,395	122,627,395
Basic and diluted earnings per share (₹) [(i)/(ii)]	5.00	2.86
Basic and diluted earnings per share from discontinued operations		
(i) Profit for the year, attributable to the equity shareholders	-	10,057.34
(ii) Weighted average number of equity shares		
- Number of equity shares at the beginning of the year	-	122,627,395
- Number of equity shares at the end of the year	-	122,627,395
Weighted average number of equity shares	-	122,627,395
Basic and diluted earnings per share (₹) [(i)/(ii)]	-	8.20
Basic and diluted earnings per share from continuing and discontinued operations		
(i) Profit for the year, attributable to the equity shareholders	6,129.22	13,569.46
(ii) Weighted average number of equity shares		
- Number of equity shares at the beginning of the year	122,627,395	122,627,395
- Number of equity shares at the end of the year	122,627,395	122,627,395
Weighted average number of equity shares	122,627,395	122,627,395
Basic and diluted earnings per share (₹) [(i)/(ii)]	5.00	11.07

39. Contingent liabilities and commitments

(to the extent not provided for)

	Year ended 31 March 2019	Year ended 31 March 2018
Contingent liabilities		
(a) Claims against the Company not acknowledged as debts:		
(i) Excise duty, sales tax and other indirect tax in dispute	2,314.99	3,371.66
(ii) Consumer court cases in dispute	61.81	83.12

Notes to the Standalone Financial Statements for the year ended 31 March 2019

39. Contingent liabilities and commitments (contd.)

- b) The Supreme Court, in a judgement dated 28 February 2019, has stipulated the components of salary that need to be taken into account for computing the contribution to provident fund under the Employees Provident Fund Act, 1952. The Company will account for the impact of the judgement after clarification is obtained in interpreting aspects of the judgement and after knowing the effective date of its application. The Company does not expect the impact to be material.

Capital and other commitments	Year ended 31 March 2019	Year ended 31 March 2018
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	77.82	4,747.54
(ii) Estimated amount of export obligations to be fulfilled in respect of goods imported under advance license/ Export Promotion Capital Goods scheme (EPCG)	-	45,596.47

Claim against the Company not acknowledged as debt:

Cash outflows for the above are determinable only on receipt of judgments pending at various forums/ authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

40. Operating leases

See accounting policy in note 3(m)

(a) Future minimum lease rentals payable under non cancellable operating lease

The Company has taken certain vehicles under non-cancellable operating leases. Lease rental expense under non-cancellable operating lease during the year amounted to ₹232.42 lakhs (31 March 2018: ₹195.13 lakhs). Future minimum lease payments under non-cancellable operating lease is as below:

	As at 31 March 2019	As at 31 March 2018
Not later than one year	96.44	181.77
Later than one year and not later than five years	155.14	302.00
More than five years	-	-
	251.58	483.77

- (b) The Company has taken certain commercial premises and equipments under cancellable operating leases. These lease agreements are normally renewed on expiry. Lease payments recognised in Standalone Statement of Profit and Loss with respect to operating leases ₹725.71 lakhs (31 March 2018: ₹439.71 lakhs) has been included as rent in note 34 'Other expenses'.

41. Related party disclosure

a) Related parties where control exists

Wholly owned subsidiary company:

- Greenply Holdings Pte. Limited, Singapore
- Greenply Middle East Limited, Dubai
- Greenply Gabon SA, Gabon (Subsidiary of Greenply Middle East Limited, Dubai)
- Greenpanel Singapore Pte. Limited, Singapore (Formally known as Greenply Trading Pte. Limited) (till 31 March 2018)
- Greenpanel Industries Limited, India (till 31 March 2018)

Company in which a Subsidiary is a Joint Venture Partner:

- Greenply Alkema (Singapore) Pte. Limited, Singapore (Joint venture of Greenply Holdings Pte. Limited, Singapore with Alkema Singapore Pte. Limited, Singapore) (w.e.f. 16 October 2018) (Joint venture of Greenpanel Singapore Pte. Limited, Singapore with Alkema Singapore Pte. Limited, Singapore) (till 15 October 2018)
- Greenply Industries (Myanmar) Private Limited (Wholly owned subsidiary of Greenply Alkema (Singapore) Pte. Limited.)

Notes to the Standalone Financial Statements for the year ended 31 March 2019

41. Related party disclosure (contd.)

b) Related parties with whom transactions have taken place during the year.

(i) Key Management Personnel (KMP)

- Mr. Shiv Prakash Mittal, Executive Chairman (till 18 July 2019)
- Mr. Rajesh Mittal, Chairman cum Managing Director (w.e.f 14 August 2019) (Managing Director till 13 August 2019)
- Mr. Shobhan Mittal, Joint Managing Director & CEO (till 18 July 2019)
- Mr. Sanidhya Mittal, Joint Managing Director (w.e.f 14 August.2019) (Executive Director till 13 August 2019)
- Mr. V. Venkatramani, Chief Financial Officer (till 18 July 2019)
- Mr. Kaushal Kumar Agarwal, Company Secretary & VP - Legal
- Mr. Mukesh Agarwal, Chief Financial Officer (w.e.f. 14 August 2019)

(ii) Non-executive Directors

- Mr. Susil Kumar Pal, Independent Director
- Mr. Vinod Kumar Kothari, Independent Director
- Mr. Anupam Kumar Mukerji, Independent Director
- Mr. Upendra Nath Challu, Independent Director
- Ms. Sonali Bhagwati Dalal, Independent Director

(iii) Relatives of Key Management Personnel (KMP)

- Mrs. Chitwan Mittal (Wife of Mr. Shobhan Mittal) (till 18 July 2019)
- Mrs. Surbhi Poddar (Daughter of Mr. Rajesh Mittal)

(iv) Enterprises controlled by Key Management Personnel or their relatives

- Prime Holdings Private Limited
- Trade Combines (Partnership Firm)
- RS Homcon Limited
- Mastermind Shoppers Private Limited
- Greenlam Industries Limited
- Greenpanel Singapore Pte. Limited, Singapore (Formally known as Greenply Trading Pte. Limited) (w.e.f. 1 April 2018)
- Greenpanel Industries Limited, India (w.e.f 1 April 2018)

c) Related party transactions

(₹ in Lakhs)

Name of the related party	Nature of transaction	As at 31 March 2019	As at 31 March 2018
Greenpanel Singapore Pte. Limited, (Formally known as Greenply Trading Pte. Limited)	Sale of products	-	2,895.60
	Commission on guarantee	10.68	8.90
	Interest income	-	32.26
	Investment	-	389.48
	Loan refund	-	648.05
Greenply Middle East Limited	Purchase of products	2,650.38	1,111.20
	Commission on guarantee	124.52	80.07
	Guarantee given	345.55	4,836.37
	Interest income	181.05	61.47
	Loan given	671.38	1,157.13
	Loan refund	215.82	-
Greenply Holdings Pte. Limited	Investment	2,385.09	-
Greenply Alkema (Singapore) Pte. Limited	Purchase of products	735.33	487.34
	Commission on guarantee	21.04	19.38
Greenply Gabon SA	Commission on guarantee	44.39	1.09
	Guarantee given	-	4,385.43
	Sale of stores and spares	66.53	-
Greenpanel Industries Limited	Investment	-	10.00
	Purchase of products	4,416.03	-

Notes to the Standalone Financial Statements for the year ended 31 March 2019

41. Related party disclosure (contd.)

Name of the related party	Nature of transaction	As at 31 March 2019	As at 31 March 2018
Greenlam Industries Limited	Sale of products	-	207.62
	Purchase of products	-	379.36
	Rental income	-	0.60
Mr. Shiv Prakash Mittal	Remuneration	-	528.94
Mr. Rajesh Mittal	Remuneration	379.68	517.46
Mr. Shobhan Mittal	Remuneration	-	359.02
Mr. Sanidhya Mittal	Remuneration	193.06	67.82
Mr. V. Venkatramani	Remuneration	-	85.39
Mr. Kaushal Kumar Agarwal	Remuneration	52.66	42.91
Mr. Anupam Kumar Mukerji	Commission and sitting fees	16.50	16.95
Mr. Susil Kumar Pal	Commission and sitting fees	17.60	16.95
Mr. Upendra Nath Challu	Commission and sitting fees	17.10	16.20
Mr. Vinod Kumar Kothari	Commission and sitting fees	17.00	15.35
Ms. Sonali Bhagwati Dalal	Commission and sitting fees	11.80	11.60
Mrs. Chitwan Mittal	Remuneration	-	28.23
Mrs. Surbhi Poddar	Remuneration	22.76	16.34
Prime Holdings Private Limited	Rent paid	4.81	18.72
	Security deposit refund	13.20	-
RS Homcon Limited	Rent paid	10.60	7.46
	Security deposit given	1.07	-
Trade Combines	Rent paid	2.71	3.40
Mastermind Shoppers Private Limited	Rent paid	17.62	4.35
	Security deposit given	-	2.90

d) Outstanding balances

(₹ in Lakhs)

Name of the related party	Nature of transaction	As at 31 March 2019	As at 31 March 2018
Greenpanel Singapore Pte. Limited	Loan given	-	-
	Sale of products	-	855.18
	Guarantee given	-	650.05
Greenply Middle East Limited	Loan given	2,211.52	1,625.13
	Purchase of products	1,864.85	47.07
	Guarantee given	6,178.43	5,486.42
	Interest on Loan	43.64	-
	Commission on guarantee	30.47	-
Greenply Alkema (Singapore) Pte. Limited	Purchase of products	440.78	17.13
	Guarantee given	2,073.30	1,950.15
Greenply Gabon SA	Guarantee given	4,263.26	4,385.43
	Commission on guarantee	10.58	-
	Sale of stores and spares	65.31	-
Greenlam Industries Limited	Purchase of products	-	10.77
	Sale of products	-	21.89
Greenpanel Industries Limited	Purchase of products	1,145.23	-
Mr. Shiv Prakash Mittal	Remuneration	-	283.80
Mr. Rajesh Mittal	Remuneration	146.02	283.80
Mr. Shobhan Mittal	Remuneration	-	283.80
Mr. Sanidhya Mittal	Remuneration	146.02	41.62
Prime Holdings Private Limited	Security deposit given	-	13.20
RS Homcon Limited	Security deposit given	2.57	1.50
Trade Combines	Security deposit given	2.40	2.40
Mastermind Shoppers Private Limited	Security deposit given	2.90	2.90

Notes to the Standalone Financial Statements for the year ended 31 March 2019

41. Related party disclosure (contd.)

e) Key Management Personnel compensation

Key management personnels compensation comprised of the following: (₹ in Lakhs)

Nature of transaction	As at 31 March 2019	As at 31 March 2018
Short-term employee benefits	595.31	1,539.49
Other long-term benefits	29.89	62.05
Total compensation paid to key management personnel	625.40	1,601.54

As the future liability for gratuity and compensated encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the key management personnel is not ascertainable and, therefore, not included above. Based on the recommendation of the Nomination and Remuneration Committee, all decisions relating to the remuneration of the KMPs are taken by the Board of Directors of the Company, in accordance with shareholders' approval, wherever necessary.

f) Terms and conditions of transactions with related parties

Purchase and sales from/to related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions with other vendors. Outstanding balances at the year-end is unsecured and settlement occurs in cash.

The Company has not recorded any impairment of receivables relating to amounts owed by a related parties. This assessment is undertaken in each financial year through examining the financial position of the related parties and the market in which the related party operates.

The loan given to related parties is made in the ordinary course of business and on terms at arm's length price. Outstanding balances at the year-end is unsecured and settlement occurs in cash. The interest on loan given to subsidiaries is fixed at arm length rate at 12 months USD Libor plus 500 basis points.

The guarantee given to related parties is made in the ordinary course of business and on terms at arm's length price. The commission on such guarantee has been recovered at arm length price as per safe harbour rules of Income Tax Act, 1961.

g) Details of loans, investments and guarantee covered under Section 186(4) of the Companies Act, 2013

(i) Details of loans

Loan given to Greenply Middle East Limited bears interest rate of 12 months USD Libor plus 5% p.a. and is repayable at various dates on or before 11 February 2024 and the said loan has been given for business requirements. (refer note 8).

(ii) Details of investments

Particulars of investments as required under Section 186(4) of the Companies Act, 2013 have been disclosed in note 7.

(iii) Details of guarantee given / (closed) during the year :

Name of the Company	Date of undertaking	Purpose	31 March 2019
Greenply Middle East Limited	18 May 2018	Short-term loan facility	345.55

Name of the Company	Date of undertaking	Purpose	31 March 2018
Greenply Middle East Limited	17 May 2017	Short-term loan facility	650.05
Greenply Middle East Limited	19 May 2017	Long-term loan facility	2,275.18
Greenply Middle East Limited	25 October 2017	Short-term loan facility	1,911.15
Greenply Gabon SA	23 March 2018	Long-term loan facility	4,385.43

Notes to the Standalone Financial Statements for the year ended 31 March 2019

42. Accounting classifications and fair values (Ind AS 107)

See accounting policy in note 3(c)

The fair values of financial assets and liabilities, together with the carrying amounts shown in the Standalone Balance Sheet are as follows:

	31 March 2019		31 March 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets at amortised cost				
Investments	4,222.22	4,222.22	7,636.02	7,636.02
Loans	2,502.53	2,502.53	3,037.90	3,037.90
Other financial assets	2,993.99	2,993.99	3,965.75	3,965.75
Trade receivables	28,337.23	28,337.23	28,439.92	28,439.92
Cash and cash equivalents	1,784.17	1,784.17	2,964.58	2,964.58
Other bank balances	26.03	26.03	35.36	35.36
	39,866.17	39,866.17	46,079.53	46,079.53
Financial assets at fair value through profit and loss				
Level 1				
Investments	0.49	0.49	0.59	0.59
Level 2				
Derivatives	-	-	131.21	131.21
	0.49	0.49	131.80	131.80
Total Financial Assets	39,866.66	39,866.66	46,211.33	46,211.33
Financial liabilities at amortised cost				
Borrowings (including current maturities of non current borrowings)	14,364.39	14,368.20	65,246.12	65,246.12
Other financial liabilities (excluding current maturities of non current borrowings)	2,485.85	2,485.85	12,134.17	12,134.17
Trade payables	24,148.91	24,148.91	21,101.22	21,101.22
	40,999.15	41,002.96	98,481.51	98,481.51
Financial liabilities at fair value through profit and loss				
Level 2				
Derivatives	88.54	88.54	-	-
	88.54	88.54	-	-
Total financial liabilities	41,087.69	41,091.50	98,481.51	98,481.51

43. Fair value measurement (Ind AS 113)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

The Company has established the following fair value hierarchy that categories the value into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: The hierarchy uses quoted prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (for example traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Notes to the Standalone Financial Statements for the year ended 31 March 2019

43. Fair value measurement (Ind AS 113) (contd.)

Financial assets and liabilities measured at fair value - recurring fair value measurements are as follows:- (₹ in Lakhs)

Nature of transaction	As at 31 March 2019	As at 31 March 2018
Financial assets - Level 1		
Investments	0.49	0.59
Financial assets - Level 2		
Derivatives	-	131.21
Financial liabilities - Level 2		
Derivatives	88.54	-

The management assessed that trade receivables, cash and cash equivalent, other bank balances, trade payable, cash credits and other financial assets and liabilities approximate their carrying amounts largely due to the current maturities of these instruments.

The following methods and assumptions were used to estimate the fair values:

- The fair value of the quoted investments are based on market price at the respective reporting date.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves based on report obtained from banking partners.
- The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies based on report obtained from banking partners.

44. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Risk management framework

The Company's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company operations. The Company's principal financial assets, other than derivatives include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance.

The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. Interest rate swaps to hedge variable interest rate exposures. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

The sources of risks which the Company is exposed to and their management is given below:

Risk	Exposure Arising from	Measurement	Management
Credit risk	Trade receivables, Investments, Derivative financial instruments, Loans	Ageing analysis, Credit rating	Diversification of Credit limit and credit worthiness monitoring, credit based approval process.

Notes to the Standalone Financial Statements for the year ended 31 March 2019

44. Financial risk management (contd.)

Risk	Exposure Arising from	Measurement	Management
Liquidity risk	Borrowings and Other liabilities	Rolling cash flow forecasts	Adequate unused credit lines and borrowing facilities.
Market risk	Committed commercial transaction Financial asset and liabilities not denominated in INR	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts.
Interest rate	non current borrowings at variable rates	Sensitivity analysis Interest rate movements	Interest rate swaps

(i) Credit risk

Credit risk is the risk of financial loss of the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company receivables from customers and loans. Credit arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/investing activities, including deposits with bank, foreign exchange transactions and financial guarantees. The Company has no significant concentration of credit risk with any counterparty. The carrying amount of financial assets represent the maximum credit risk exposure.

Trade receivable

The management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

Exposure to credit risks

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. Details of concentration percentage of revenue generated from top customer and top five customers are stated below:

(₹ in Lakhs)

Particulars	31 March 2019	31 March 2018
Revenue from top customer	4.04%	2.40%
Revenue from top five customers	8.58%	6.47%

Trade receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. As per simplified approach, the Company makes provision of expected credit loss on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the credit loss allowance for trade receivables. The said provision has been netted off under trade receivables. The movement of expected credit loss provision is as follows:

(₹ in Lakhs)

Particulars	31 March 2019	31 March 2018
Balance at the beginning	915.44	361.40
Transferred pursuant to scheme of arrangement (refer note 36)	(229.48)	-
Net measurement of loss allowance	(181.33)	554.04
Balance at the end	504.63	915.44

(ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, finding as well as settlement management. In addition, Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

Notes to the Standalone Financial Statements for the year ended 31 March 2019

44. Financial risk management (contd.)

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

(₹ in Lakhs)

31 March 2019	< 1 year	1 - 5 years	> 5 years	Total
Borrowings (including current maturities)*	11,133.63	4,164.89	-	15,298.52
Trade payables	24,148.91	-	-	24,148.91
Other financial liabilities	1,688.50	785.21	-	2,473.71
Derivatives	88.54	-	-	88.54
	37,059.58	4,950.10	-	42,009.68

(₹ in Lakhs)

31 March 2018	< 1 year	1 - 5 years	> 5 years	Total
Borrowings (including current maturities)*	20,879.05	29,307.84	22,333.37	72,520.27
Trade payables	21,101.22	-	-	21,101.22
Other financial liabilities	9,207.44	2,487.21	333.54	12,028.19
	51,187.71	31,795.05	22,666.91	1,05,649.68

* including estimated interest

(iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings. The Company uses derivatives to manage market risks. All such transactions are carried out within the guidelines set by the management.

(a) Currency risk

Foreign currency risk is the risk impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings, import of raw materials and spare parts, capital expenditure, exports of finished goods. The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures. It uses derivative instruments like foreign currency forwards to hedge exposure to foreign currency risk.

Exposure to currency risk

The Company's exposure to foreign currency at the end of the reporting period are as follows:

(₹ in Lakhs)

Particulars	Currency	31 March 2019		31 March 2018	
		Amount in Foreign currency (Lakhs)	₹ in Lakhs	Amount in Foreign currency (Lakhs)	₹ in Lakhs
- Hedged exposures					
Borrowings - Buyers credit	USD	11.96	826.26	42.45	2,759.22
Trade payables	EURO	-	-	-	-
	USD	51.97	3,591.66	-	-
- Unhedged exposures					
Borrowings	EURO	-	-	368.81	29,406.99
	USD	-	-	90.00	5,850.45
			-		35,257.44

Notes to the Standalone Financial Statements for the year ended 31 March 2019

44. Financial risk management (contd.)

Particulars	Currency	31 March 2019		31 March 2018	
		Amount in Foreign currency (Lakhs)	₹ in Lakhs	Amount in Foreign currency (Lakhs)	₹ in Lakhs
Borrowings - Buyers credit	EURO	-	-	1.11	88.34
	USD	-	-	37.06	2,408.98
			-		2,497.32
Trade payables	EURO	0.51	39.53	41.52	3,310.27
	USD	19.20	1,326.89	5.67	368.80
			1,366.42		3,679.07
Loans to subsidiaries	USD	32.00	2,211.52	25.00	1,625.13
Trade receivables	USD	0.95	65.31	13.23	860.20

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD and EURO against Indian Rupee at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(₹ in Lakhs)

Particulars	Nature	Effect	As at 31 March 2019	As at 31 March 2018
USD (1% Movement)	Profit or loss	Strengthening	(34.68)	(89.02)
		Weakening	34.68	89.02
	Equity, net of tax	Strengthening	(22.56)	(58.21)
		Weakening	22.56	58.21
EUR (1% Movement)	Profit or loss	Strengthening	(0.40)	(328.06)
		Weakening	0.40	328.06
	Equity, net of tax	Strengthening	(0.26)	(214.52)
		Weakening	0.26	214.52

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates related primarily to the Company's current borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments at the end of the reporting period are as follows:

(₹ in Lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Fixed rate instruments		
Financial assets	-	-
Financial liabilities	(5,914.63)	(14,054.25)
	(5,914.63)	(14,054.25)
Effect of interest rate swaps	-	(5,847.72)
	(5,914.63)	(19,901.97)
Variable rate instruments		
Financial assets	2,211.52	1,625.13
Financial liabilities	(7,549.75)	(50,142.22)
	(5,338.23)	(48,517.09)
Effect of interest rate swaps	-	5,847.72
	(5,338.23)	(42,669.37)

Notes to the Standalone Financial Statements for the year ended 31 March 2019

44. Financial risk management (contd.)

Sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below: (₹ in Lakhs)

Particulars	Nature	Effect	As at 31 March 2019	As at 31 March 2018
Variable rate instruments	Profit or loss	Strengthening	(53.38)	(426.69)
		Weakening	53.38	426.69
	Equity, net of tax	Strengthening	(34.73)	(279.02)
		Weakening	34.73	279.02
Cash flow sensitivity (net)	Profit or loss	Strengthening	(53.38)	(426.69)
		Weakening	53.38	426.69
	Equity, net of tax	Strengthening	(34.73)	(279.02)
		Weakening	34.73	279.02

45. Capital management (Ind AS 1)

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Company's objective when managing capital are to: (a) to maximise shareholders value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Company's capital management, capital includes issued equity share capital and other equity reserves attributable to the equity holders. The Company monitors capital using debt-equity ratio, which is total debt less liquid investments divided by total equity. (₹ in Lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Total debt (Bank and other borrowings)	14,364.39	65,246.12
Less: Cash and cash equivalents	1,784.17	2,964.58
Adjusted net debt	12,580.22	62,281.54
Equity	33,134.42	91,505.38
Debt to Equity (net)	0.38	0.68

In addition the Company has financial covenants relating to the banking facilities that it has taken from all the lenders like interest service coverage ratio, Debt to EBITDA, current ratio etc. which is maintained by the Company.

46. Segments information (Ind AS 108)

In accordance with Ind AS 108 "Operating Segments", segment information has been given in the consolidated financial statements of the Company, and therefore, no separate disclosure on segment information is given in these standalone financial statements.

47. Taxation

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulations under Sections 92-92F of the Income-Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documents for the international transactions entered into with the associated enterprises during the financial year. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense for the year and that of provision for taxation.

48. Due to Micro and small enterprises

(₹ in Lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;		

Notes to the Standalone Financial Statements for the year ended 31 March 2019

48. Due to Micro enterprises and small enterprises (contd.)

(₹ in Lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
- Principal	83.15	12.31
- Interest	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

49. Government grant (Ind AS 20): Other operating revenue includes incentives against scheme of budgetary support under Goods and Services Tax Regime for the units set-up in Tizit, Nagaland of ₹549.69 lakhs (31 March 2018 ₹444.49) and incentive against refund of excise duty for the unit set-up in Tizit, Nagaland till 31 March 2019 of ₹253.54 lakhs (31 March 2018 ₹753.93 lakhs).

50. Distribution made and proposed dividend (Ind AS 1)

(₹ in Lakhs)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Cash dividend on equity shares declared and paid		
Final dividend for the year ended on 31 March 2018:	735.76	735.76
₹0.60 per share (31 March 2016: ₹0.60)		
Dividend distribution tax on final dividend	151.24	149.78
Total dividend paid	887.00	885.54
Proposed dividend on Equity shares		
Final dividend for the year ended on 31 March 2019:	490.51	735.76
₹0.40 per share (31 March 2018: ₹0.60)		
Dividend distribution tax on final dividend	100.85	151.24
Total dividend proposed	591.36	887.00

Proposed dividends on equity shares are subject to approval at the ensuing annual general meeting and are not recognised as a liability (including dividend distribution tax thereon) as at 31 March 2019.

51. Previous year's figures have been regrouped/reclassified wherever necessary to conform to current year's classification/disclosure.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration number: 101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership No: 055757

For and on behalf of Board of Directors of
Greenply Industries Limited
CIN: L20211AS1990PLC003484

Rajesh Mittal
Chairman cum Managing director
DIN : 00240900

Sanidhya Mittal
Joint Managing Director
DIN : 06579890

Mukesh Agarwal
Chief Financial Officer
Place : Kolkata
Dated : 14 August 2019

Kaushal Kumar Agarwal
Company Secretary & VP-Legal

Place : Kolkata
Dated : 14 August 2019

INDEPENDENT AUDITORS' REPORT

To
The Members of
Greenply Industries Limited

Report on the Audit of Consolidated Financial Statements

This Report supersedes our Report dated 30 May 2019.

Opinion

We have audited the revised consolidated financial statements of Greenply Industries Limited (hereinafter referred to as the 'Holding Company'), its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its joint ventures, which comprise the consolidated balance sheet as at 31 March 2019, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries and joint ventures as were audited by the other auditors, and read with our comment in paragraph (b) of the Emphasis of Matters paragraph given below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 and its joint ventures as at 31 March 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have

fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

(a) We draw attention to note 36 of the consolidated financial statements which describes the basis for revision of the consolidated financial statements consequent to the Composite Scheme of Arrangement ('the Scheme') between the Holding Company and Greenpanel Industries Limited ('the resulting company'), approved by the National Company Law Tribunal (NCLT) vide order dated 28 June 2019, with appointed date of 1 April 2018 and certified copy of the order sanctioning the Scheme filed by the Holding Company with Registrar of the Companies, Assam, on 1 July 2019. We further report that, our audit procedures on the above subsequent event, in so far as it relates to the revision to the Consolidated Financial Statements, are restricted solely to the aforesaid matter relating the Scheme.

(b) We further draw attention to note 36 to the consolidated financial statements, which states that the Group has, in accordance with the aforesaid Scheme adjusted amounts in excess of book value of the assets transferred over liabilities in the reserves, as more fully explained in the above note, instead of recognising it in the Statement of Profit and Loss, as required by Indian Accounting Standard 105 'Non-current Assets Held for Sale and Discontinued Operations'.

Our opinion is not modified in respect of the aforesaid matters.

Key Audit Matters

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

Description of Key Audit Matter

Composite Scheme of arrangement of demerger
See note 3(h) and 36 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Board of Directors of the Holding Company, at its meeting held on 30 May 2018, has considered and approved a composite scheme of arrangement of demerger ('the Scheme') between the Holding Company and Greenpanel Industries Limited, a wholly owned subsidiary of the Holding Company, in terms of Section 230-232 of the Companies Act, 2013 ('the Act') and other applicable provisions, if any, of the Act, subject to necessary approvals from concerned authorities, 1 April 2018 being the Appointed Date of the Scheme.	Our audit procedures included: <ul style="list-style-type: none">- Read the NCLT order ('the order') dated 28 June 2019 in respect of approval of the Scheme with appointed date of 1 April 2018 and subsequent filing of the order with Registrar of the Companies, Assam on 1 July 2019- Read the minutes of meeting of Demerger committee held on 3 July 2019 noting the order and filing of the Scheme with the Registrar of the Companies, Assam.- Understood and evaluated the design and tested the operating effectiveness of controls established by the management for giving effect of order in the consolidated financial statements.- Considered the appropriateness of the Group's accounting policies relating to discontinued operations and assessing compliance with the applicable accounting standards in respect of the order.- Assessed the appropriateness of disclosures made in the consolidated financial statements.
The Holding Company has filed the petition for the above Scheme with the National Company Law Tribunal (NCLT), and as per the NCLT's direction has held meetings of the shareholders and secured and unsecured creditors who have given their consent to the proposed Scheme.	Based on the above procedures performed, we concluded that the Holding Company's management process for compliance of the order in the consolidated financial statement is reasonable.
Consequent to the Scheme approved by NCLT vide its order dated 28 June 2019, with appointed date of 1 April 2018, and certified copy of the order sanctioning the Scheme filed by the Holding Company with Registrar of the Companies, Assam, on 1 July 2019 ('the Scheme'), the consolidated financial statements of the Group has been revised to give effect to the order.	

Litigations and claims

See note 3(l), 3(x), 15 and 39 (a) to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Holding Company operates in various States within India, exposing it to a variety of different Central and State/Local laws, regulations and interpretations thereof. Further, potential exposures may also arise from general legal proceedings, government grants receivable, etc. in the normal course of business. In this regulatory environment, there is an inherent risk of litigations and claims.	Our audit procedures included: <ul style="list-style-type: none">- Tested the effectiveness of controls around the recording and re-assessment of litigation arising from general legal proceedings, government grants receivable and contingent liabilities.- Read the latest correspondence between the Holding Company and the various tax/legal authorities and review of correspondence with / legal opinions obtained by the management, from external legal advisors, where applicable, for significant matters.- Engaged tax specialists to technically appraise the tax positions taken by management with respect to local tax issues.- Assessed the reasonableness of the management's assessment of the claims and litigations and ensured that the outcome of such assessment has been adequately provided/disclosed in the consolidated financial statements of the Holding Company.
Assessment of contingencies and litigations requires the management to make judgements and estimates in relation to the issues and exposures.	Based on the above procedures performed, we concluded that the Holding Company's assessment with regard to the litigations and claims are reasonable.
As the ultimate outcome of the matters are uncertain and the same involves significant judgment by the management to determine the possible outcomes of these disputes, it is considered to be a Key Audit Matter.	

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's management and the Board of Directors are responsible for the other information. The other information comprises the Holding Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint ventures is responsible for overseeing the financial reporting process of each company.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls

with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group (Holding Company and its subsidiaries) as well as joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its joint ventures to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

We did not audit the financial statements/ financial information of three (3) subsidiaries and two (2) joint ventures, whose financial statements/financial information reflect total assets of ₹26,601.56 lakhs as at 31 March 2019, total revenues of ₹27,437.80 lakhs and net cash outflows amounting to ₹401.27 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of ₹494.36 lakhs for the year ended 31 March 2019, in respect of its joint ventures, whose financial statements/financial information have not been audited by us. These financial statements/financial information 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 these subsidiaries and joint ventures, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint ventures is based solely on the audit reports of the other auditors.

These subsidiaries/joint ventures are located outside India whose financial statements and other financial information have been prepared in accordance with

accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries/joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of subsidiaries/joint ventures located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

- A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries and joint ventures as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
- 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;
 - 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;
 - The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows 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;

- In our opinion and read with our comment in paragraph (b) of the Emphasis of Matters paragraph, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act;
 - On the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company incorporated in India is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act; and
 - With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- B. With respect to the other matters to be included in the Auditors' 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 and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and joint ventures, as noted in the 'Other Matters' paragraph:
- The consolidated financial statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group and its joint ventures. Refer Note 39 (a) and 39 (b) to the consolidated financial statements;
 - The Group and its joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2019;
 - There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2019; and
 - The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the

period from 8 November 2016 to 30 December 2016 have not been made in the consolidated financial statements since they do not pertain to the financial year ended 31 March 2019.

- C. With respect to the matter to be included in the Auditors' report under Section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company is not in excess of the limit laid down under Section 197 of

the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm registration No.: 101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership No.: 055757
ICAI UDIN: 19055757AAAABS7772

Place: Kolkata
Date: 14 August 2019

Annexure A to the Independent Auditors' report on the consolidated financial statements of Greenply Industries Limited for the year ended 31 March 2019

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

[Referred to in paragraph (A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

This Report supersedes our Report dated 30 May 2019.

Opinion

In conjunction with our audit of the consolidated financial statements of the Group and its Joint Ventures as of and for the year ended 31 March 2019, we have audited the internal financial controls with reference to consolidated financial statements of Greenply Industries Limited (hereinafter referred to as "the Holding Company").

In our opinion, the Holding Company, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Emphasis of matter

We draw attention to note 36 of the consolidated financial statements which describes the basis for revision of the consolidation financial statements consequent to the Composite Scheme of Arrangement ('the Scheme') between the Holding Company and Greenpanel Industries Limited ('the resulting company'), which was approved vide order dated 28 June 2019 issued by the National Company Law Tribunal (NCLT) and certified copy of the order sanctioning the Scheme filed by the Holding Company with Registrar of the Companies, Assam, on 1 July 2019. We further report that, our audit procedures on the subsequent events, in so far as it relates to the revision to the Consolidated Financial Statements are restricted solely to the aforesaid matter relating the Scheme.

Management's Responsibility for Internal Financial Controls

The Holding Company's management and the Board of Directors are responsible for establishing and

maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the holding company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating

effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary company in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3)

provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

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

For B S R & Co. LLP
Chartered Accountants
Firm registration No.: 101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership No.: 055757
ICAI UDIN: 19055757AAAABS7772

Place: Kolkata
Date: 14 August 2019

Consolidated Balance Sheet as at 31 March 2019

(₹ in Lakhs)

	Note	As at 31 March 2019	As at 31 March 2018
Assets			
(1) Non-current assets			
(a) Property, plant and equipment	4	24,570.47	57,453.82
(b) Capital work-in-progress	5	1,596.54	77,040.12
(c) Other intangible assets	6	617.83	593.17
(d) Intangible assets under development		134.76	-
(e) Investments accounted for using the equity method	7	2,223.80	1,844.46
(f) Financial assets			
(i) Investments	7	0.49	0.59
(ii) Loans	8	274.63	1,445.31
(iii) Other financial assets	15	2,230.66	2,019.39
(g) Non-current tax assets (net)	9	418.61	153.49
(h) Deferred tax assets (net)	35	410.95	-
(i) Other non-current assets	14	3,396.21	5,746.29
Total non-current assets		35,874.95	1,46,296.64
(2) Current assets			
(a) Inventories	10	16,943.71	23,120.90
(b) Financial assets			
(i) Trade receivables	11	30,504.96	28,560.14
(ii) Cash and cash equivalents	12	2,031.88	3,317.41
(iii) Bank balances other than cash and cash equivalents	13	26.03	35.36
(iv) Loans	8	44.65	138.47
(v) Derivatives	24	-	131.21
(vi) Other financial assets	15	678.64	1,946.36
(c) Other current assets	16	2,598.53	7,567.35
Total current assets		52,828.40	64,817.20
Total assets		88,703.35	2,11,113.84
Equity and liabilities			
Equity			
(a) Equity share capital	17	1,226.27	1,226.27
(b) Other equity	18	32,296.12	86,524.27
Total equity		33,522.39	87,750.54
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	8,042.29	48,479.15
(ii) Other financial liabilities	20	964.18	3,489.09
(b) Provisions	21	505.01	2,184.79
(c) Deferred tax liabilities (net)	35	-	2,645.19
(d) Other non-current liabilities	22	-	4,991.70
Total non-current liabilities		9,511.48	61,789.92
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	14,115.21	19,753.32
(ii) Trade payables	23		
Total outstanding dues of micro and small enterprises		83.15	12.31
Total outstanding dues of creditors other than micro and small enterprises		23,111.88	21,884.22
(iii) Derivatives	24	88.54	-
(iv) Other financial liabilities	20	5,717.66	13,980.13
(b) Other current liabilities	25	2,505.96	5,473.58
(c) Provisions	21	47.08	469.82
Total current liabilities		45,669.48	61,573.38
Total liabilities		55,180.96	1,23,363.30
Total equity and liabilities		88,703.35	2,11,113.84

Significant accounting policies

3

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration number: 101248W/W-100022

For and on behalf of Board of Directors of
Greenply Industries Limited
CIN: L20211AS1990PLC003484

Jayanta Mukhopadhyay
Partner
Membership No: 055757

Rajesh Mittal
Chairman cum Managing director
DIN : 00240900

Sanidhya Mittal
Joint Managing Director
DIN : 06579890

Mukesh Agarwal
Chief Financial Officer

Kaushal Kumar Agarwal
Company Secretary & VP-Legal

Place : Kolkata
Dated : 14 August 2019

Place : Kolkata
Dated : 14 August 2019

Consolidated Statement of Profit and Loss for the year ended 31 March 2019

(₹ in Lakhs)

	Note	Year ended 31 March 2019	Year ended 31 March 2018
Continuing Operations			
I. Revenue from operations	26	1,41,216.17	92,724.89
II. Other income	27	326.64	135.58
III. Total income (I+II)		1,41,542.81	92,860.47
IV. Expenses			
Cost of materials consumed	28	58,353.07	32,253.84
Purchase of stock in trade	29	30,604.65	25,995.96
Changes in inventories of finished goods, work-in-progress and stock in trade	30	(3,655.94)	(1,823.26)
Excise duty		-	1,499.60
Employees benefits expense	31	15,147.89	11,738.41
Finance costs	32	1,863.48	772.45
Depreciation and amortisation expense	33	2,243.11	1,795.74
Other expenses	34	26,361.93	16,416.79
Total expenses (IV)		1,30,918.19	88,649.53
V. Share of profit/(loss) of a joint venture	7	494.36	(760.25)
VI. Profit before tax from continuing operations (III-IV+V)		11,118.98	3,450.69
Current tax [net of reversal of provision for earlier years Nil (PY : ₹ 41.04 Lakhs)]		(2,292.90)	(988.68)
Deferred tax charge		(858.92)	(384.49)
VII. Tax expense	35	(3,151.82)	(1,373.17)
VIII. Profit for the year from continuing operations (VI-VII)		7,967.16	2,077.52
Discontinued Operations			
Profit from discontinued operations before tax	37	-	12,962.66
X. Tax expense of discontinued operations	37	-	(3,977.47)
XI. Profit for the year from discontinued operations (IX-X)		-	8,985.19
XII. Profit for the year (VIII+XI)		7,967.16	11,062.71
XIII. Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit liability/(asset)		(10.10)	183.55
Income tax relating to items that will not be reclassified to profit or loss		3.53	(64.14)
Other comprehensive income not to be reclassified subsequently to profit or loss (net of tax)		(6.57)	119.41
Items that will be reclassified subsequently to profit or loss:			
Exchange differences in translating financial statements of foreign operations reclassified to profit or loss		388.74	-
Exchange differences in translating financial statements of foreign operations		(272.08)	187.81
Income tax relating to items that will be reclassified subsequently to profit or loss		-	-
Net other comprehensive income to be reclassified subsequently to profit or loss		116.66	187.81
Other comprehensive income for the year (net of tax)		110.09	307.22
XIV. Total comprehensive income for the year (XII+XIII)		8,077.25	11,369.93
XV. Earnings per equity share for profit from continuing operations	38		
[Face value of equity share ₹1 each (previous year ₹1 each)]			
- Basic (₹)		6.50	1.69
- Diluted (₹)		6.50	1.69
Earnings per equity share for profit from discontinued operations	38		
[Face value of equity share ₹1 each (previous year ₹1 each)]			
- Basic (₹)		-	7.33
- Diluted (₹)		-	7.33
Earnings per equity share for profit from continuing and discontinued operations	38		
[Face value of equity share ₹1 each (previous year ₹1 each)]			
- Basic (₹)		6.50	9.02
- Diluted (₹)		6.50	9.02

Significant accounting policies

3

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration number: 101248W/W-100022

For and on behalf of Board of Directors of
Greenply Industries Limited
CIN: L20211AS1990PLC003484

Jayanta Mukhopadhyay
Partner
Membership No: 055757

Rajesh Mittal
Chairman cum Managing director
DIN : 00240900

Sanidhya Mittal
Joint Managing Director
DIN : 06579890

Mukesh Agarwal
Chief Financial Officer

Kaushal Kumar Agarwal
Company Secretary & VP-Legal

Place : Kolkata
Dated : 14 August 2019

Place : Kolkata
Dated : 14 August 2019

Consolidated Statement of Cash Flows for the year ended 31 March 2019

(₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
A. Cash flows from operating activities		
Profit before Tax		
Continuing Operations	11,118.98	3,450.69
Discontinued Operations	-	12,962.65
Profit before Tax including Discontinued Operation	11,118.98	16,413.34
Adjustments for:		
Depreciation and amortisation expense	2,243.11	4,981.11
Finance costs	1,863.48	1,135.63
Loss on fair valuation of quoted investments	0.10	0.32
Loss allowance on trade receivables	(108.95)	302.32
Loss on sale/discard of property, plant and equipment	201.71	616.50
Interest income	(7.47)	(93.96)
Commission on guarantee given to joint venture	(31.72)	(19.38)
Unrealised foreign exchange fluctuations (net)	806.35	2,877.52
Government grants - obligation fulfillment against EPCG scheme (refer note 22)	-	(62.58)
Share of (profit)/loss from a joint venture	(494.36)	760.25
Cash generated from operation before working capital changes	4,472.25	10,497.73
Operating cash flows before working capital changes	15,591.23	26,911.07
Working capital adjustments:		
Increase in trade and other receivables	(7,189.23)	(5,652.49)
Increase in inventories	(4,032.91)	(7,274.63)
Increase in trade and other payables	7,972.12	1,680.43
	(3,250.02)	(11,246.69)
Cash generated from operating activities	12,341.21	15,664.38
Income tax paid (net)	(2,558.02)	(4,325.42)
Net cash from operating activities	9,783.19	11,338.96
B. Cash flows from investing activities		
Acquisition of property, plant and equipment and capital work-in-progress	(8,283.83)	(33,528.34)
Acquisition of intangible assets including intangibles under development	(314.73)	(470.05)
Proceeds from sale of property, plant and equipment	188.17	1,049.19
(Investment)/Redemption in fixed deposits with banks (having maturity of more than 3 months)	(24.32)	35.45
Commission received on guarantee given to joint venture	31.72	19.38
Interest received	7.47	93.96
Net cash used in investing activities	(8,395.52)	(32,800.41)
C. Cash flows from financing activities		
Proceeds from non-current borrowings	5,558.62	20,841.52
(Repayment)/Proceeds from current borrowings	(4,035.22)	6,389.28
Payment of finance lease obligations	-	(116.16)
Repayment of non-current borrowings	(1,581.67)	(4,854.60)
Interest paid	(1,818.58)	(4,925.74)
Processing fees paid for non-current borrowings	-	(4.50)
Dividend paid	(735.76)	(735.76)
Dividend distribution tax paid	(151.24)	(149.78)
Net cash flow from financing activities	(2,763.85)	16,444.26
Net increase / (decrease) in cash and cash equivalents	(1,376.18)	(5,017.19)
Cash and cash equivalents at 1 April 2018 (refer note 12)	2,297.10	7,314.35
Less : Transferred pursuant to scheme of arrangement (refer note 36)	521.17	-
Effect of exchange rate fluctuations on cash held	14.55	(0.06)
Cash and cash equivalents at 31 March 2019 (refer note 12)	414.30	2,297.10

Consolidated Statement of Cash Flows for the year ended 31 March 2019

Notes:

- Consolidated Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 specified under Section 133 of the Companies Act, 2013.
- Acquisition of property, plant and equipment includes movements of capital work-in-progress (including capital advances and liability for capital goods) during the year.
- Cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.
- Change in liabilities arising from financing activities:

(₹ in Lakhs)

Particulars	As on 1 April 2018	Transferred pursuant to scheme (refer note 36)	Cash flows	Fair value changes	As on 31 March 2019
Non-current Borrowings including current maturities (note 19)	51,464.38	(44,556.35)	3,976.94	2.17	10,887.14
Current Borrowings (note 19)	19,753.32	(3,220.47)	(4,035.22)	0.00	12,497.63

(₹ in Lakhs)

Particulars	As on 1 April 2017	Transferred pursuant to scheme (refer note 36)	Cash flows	Fair value changes	As on 31 March 2018
Non-current Borrowings including current maturities (note 19)	31,802.54	-	15,870.76	3,791.08	51,464.38
Current Borrowings (note 19)	12,768.04	-	6,985.28	-	19,753.32

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm Registration number: 101248W/W-100022

For and on behalf of Board of Directors of

Greenply Industries Limited

CIN: L20211AS1990PLC003484

Jayanta Mukhopadhyay

Partner

Membership No: 055757

Rajesh Mittal

Chairman cum Managing director

DIN : 00240900

Sanidhya Mittal

Joint Managing Director

DIN : 06579890

Mukesh Agarwal

Chief Financial Officer

Place : Kolkata

Dated : 14 August 2019

Kaushal Kumar Agarwal

Company Secretary & VP-Legal

Place : Kolkata

Dated : 14 August 2019

Consolidated Statement of Changes in Equity for the year ended 31 March 2019

a) Equity share capital (₹ in Lakhs)

Particulars	Note	Amount
Balance as at 1 April 2017		1,226.27
Changes in equity share capital during the year	17	-
Balance as at 31 March 2018		1,226.27
Changes in equity share capital during the year	17	-
Balance as at 31 March 2019		1,226.27

b) Other equity (₹ in Lakhs)

Particulars	Note	Reserves and surplus			Items of OCI	Total
		Securities premium	General reserve	Retained earnings	Exchange differences on translation	
Balance as at 1 April 2017		4,852.03	23,462.24	48,143.74	(418.13)	76,039.88
Total comprehensive income for the year ended 31 March 2018						
Profit for the year		-	-	11,062.71	-	11,062.71
Other comprehensive income (net of tax)		-	-	119.41	187.81	307.22
Total comprehensive income		-	-	11,182.12	187.81	11,369.93
Transfer to general reserve		-	6,500.00	(6,500.00)	-	-
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Final dividend on equity shares	50	-	-	(735.76)	-	(735.76)
Dividend distribution tax on final dividend	50	-	-	(149.78)	-	(149.78)
Total contributions by and distributions to owners		-	-	(885.54)	-	(885.54)
Total transactions with owners		-	-	(885.54)	-	(885.54)
Balance as at 31 March 2018		4,852.03	29,962.24	51,940.32	(230.32)	86,524.27
Balance as at 1 April 2018		4,852.03	29,962.24	51,940.32	(230.32)	86,524.27
Total comprehensive income for the year ended 31 March 2019						
Profit for the year		-	-	7,967.16	-	7,967.16
Add: Amount adjusted pursuant to scheme of arrangement (refer note 36)		(4,852.03)	(29,962.24)	(26,215.39)	-	(61,029.66)
Other comprehensive income (net of tax)		-	-	(395.31)	116.66	(278.65)
Total comprehensive income		(4,852.03)	(29,962.24)	(18,643.54)	116.66	(53,341.15)
Transfer to general reserve		-	-	-	-	-
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Final dividend on equity shares	50			(735.76)		(735.76)
Dividend distribution tax on final dividend	50	-	-	(151.24)	-	(151.24)
Total contributions by and distributions to owners		-	-	(887.00)	-	(887.00)
Total transactions with owners		-	-	(887.00)	-	(887.00)
Balance as at 31 March 2019		-	-	32,409.78	(113.66)	32,296.12

Consolidated Statement of Changes in Equity for the year ended 31 March 2019

Description, nature and purpose of reserve:

- (i) **Securities premium:** Securities premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs etc.
- (ii) **General reserve:** The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes or as allowed by the Companies Act, 2013.
- (iii) **Retained earnings:** Retained earnings are the profits by the company has earned till date, less any transfer to general reserve, dividends or other distributions paid to shareholders. It also includes remeasurement gain/loss of defined benefit plan.
- (iv) **Other comprehensive income (OCI):** It comprises of exchange differences in translating financial statements of foreign operations.

Significant accounting policies 3

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration number: 101248W/W-100022

For and on behalf of Board of Directors of
Greenply Industries Limited
CIN: L20211AS1990PLC003484

Jayanta Mukhopadhyay
Partner
Membership No: 055757

Rajesh Mittal
Chairman cum Managing director
DIN : 00240900

Sanidhya Mittal
Joint Managing Director
DIN : 06579890

Mukesh Agarwal
Chief Financial Officer

Kaushal Kumar Agarwal
Company Secretary & VP-Legal

Place : Kolkata
Dated : 14 August 2019

Place : Kolkata
Dated : 14 August 2019

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

1. Reporting entity

Greenply Industries Limited ('the Holding Company' or the 'Company') is a public company domiciled in India having its registered office situated at Makum Road, P.O. Tinsukia, Assam-786125, India. The Holding Company has been incorporated under the provisions of the Companies Act, 2013 and its equity shares are listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. The Holding Company is primarily involved in manufacturing of plywood and trading of plywood, wallcovers and allied products. For information relating to discontinued operations, refer note 36 and 37.

The Holding Company has following subsidiary companies and joint ventures namely:

- Greenply Holdings Pte. Limited incorporated in Singapore. It has invested in a Joint Venture Company viz. Greenply Alkema (Singapore) Pte. Limited., incorporated in Singapore which is engaged in trading of veneers. Greenply Alkema (Singapore) Pte. Limited has invested in a wholly owned subsidiary company - Greenply Industries (Myanmar) Private Limited which is engaged in manufacturing and trading of veneer and lumber.
- Greenply Middle East Limited, incorporated in Dubai, is engaged in trading of veneers. It has invested in a wholly owned subsidiary company - Greenply Gabon SA, Gabon, West Africa which is engaged in manufacturing and trading of veneer and lumber.

The Holding Company together with its subsidiaries and joint ventures collectively referred to as "the Group".

2. Basis of preparation

a. Statement of compliance

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended, notified under Section 133 of the Companies Act, 2013 ('Act') and other relevant provisions of the Act.

The consolidated financial statements are authorised for issue by the Board of Directors of the Company at their meeting held on 14 August 2019. The consolidated financial statements of the Company for the year ended 31 March 2019 were first approved by the Board of Directors on 30 May 2019. The consolidated financial statements of the Group are being revised pursuant to an approved Scheme of Arrangement, the details of which are stated in note 36.

The details of the Group's accounting policies are included in note 3

b. Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (₹), which is also the Holding Company's functional currency. All amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

c. Basis of measurement

The consolidated financial statements have been prepared on historical cost basis, except for the following items:

Items	Measurement
Derivative financial instruments	Fair value
Certain financial assets and financial liabilities	Fair value
Net defined benefit (asset)/ liability	Present value of defined benefit obligations as per actuarial valuation

d. Use of estimates and judgements

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the consolidated financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the consolidated financial statements for the every period ended is included in the following notes:

- Note 4 – useful life and residual value of property, plant and equipment;

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

- Note 31 – measurement of defined benefit obligations: key actuarial assumptions;
- Note 35 – recognition of deferred tax assets;
- Note 39 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 44 – impairment of financial assets: key assumptions used in estimating recoverable cash flows.

e. Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. The management has overall responsibility for overseeing all significant fair value measurements and regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation matters are reported to the Holding Company's audit committee.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 43.

f. Basis of consolidation

(i) Subsidiaries

These Consolidated financial statements are prepared in accordance with Ind AS on Consolidated Financial Statements"(Ind AS - 110), specified under Section 133 of the Companies Act, 2013.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the Consolidated financial statements from the date on which control commences until the date on which control ceases. Subsidiaries considered in the Consolidated financial statements are:

Name of the Company	Country of Incorporation	Percentage of Holding (%)	
		Current year	Previous year
Greenpanel Singapore Pte. Limited (refer note 36)	Singapore	-	100%
Greenply Holdings Pte. Limited	Singapore	100%	100%
Greenply Middle East Limited	Dubai	100%	100%
Greenpanel Industries Limited (refer note 36)	India	-	100%

(ii) Loss of control

When the Group losses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in consolidated statement of profit or loss.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(iii) Transactions eliminated on consolidation

The financial statements of the Holding Company and its subsidiaries used in the consolidation procedures are drawn upto the same reporting date i.e 31 March 2019.

The financial statements of the Holding Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses.

Intra-group balances and transactions, and any unrealised income and expenses arising from intragroup transactions, are eliminated. Unrealised gains arising from transactions with subsidiaries are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3. Significant accounting policies

a. Current and non-current classification

All assets and liabilities are classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Act.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (i) it is expected to be realised in, or is intended for sale or consumption in the Group's normal operating cycle;
- (ii) it is held primarily for the purpose of being traded;
- (iii) it is expected to be realised within 12 months after the reporting date; or
- (iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (i) it is expected to be settled in the Group's normal operating cycle;
- (ii) it is held primarily for the purpose of being traded;
- (iii) it is due to be settled within 12 months after the reporting date; or
- (iv) the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

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

Operating cycle

For the purpose of current/non-current classification of assets and liabilities, the Group has ascertained its normal operating cycle as twelve months. This is based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

b. (i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the Group at the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences are recognised in the Consolidated Statement of Profit and Loss in the period in which they arise, except for exchange differences on long term foreign currency monetary items accounted for in accordance with exemption availed by the Company under Ind AS 101.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

The Group has exercised the option available to it under Para 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". On transition to Ind AS, aforesaid option is not available for longterm foreign currency monetary items availed/entered into/accounted for after 1st April 2016.

(ii) Foreign operations

The assets and liabilities of foreign operations (subsidiaries) like fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at an average rate.

The Group has elected not to apply Ind AS 103-Business Combinations retrospectively to past business combinations that occurred before the transition date of 1 April 2015. Consequently, the Group has kept the same classification for the past business combinations as in its previous GAAP financial statements.

When a foreign operation is disposed off in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognized in Other Comprehensive Income (OCI) is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to Non-controlling Interest (NCI).

c. Financial instruments

(i) Recognition and initial measurement

All financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. Trade receivables are initially measured at transaction price.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified and measured at:

- Amortised cost; or
- Fair value through Profit or Loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

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

Financial assets at FVTPL

All financial assets which are not classified and measured at amortised cost or Fair value through other comprehensive income (FVOCI) as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest (SPPI).

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.

Investments in subsidiaries are carried at cost in standalone financial statements

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL.

Financial liabilities through FVTPL

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Consolidated Statement of Profit and Loss. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Financial liabilities at amortised cost

Other financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method. Interest expense and foreign exchange gains and losses are recognised in the Consolidated Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Consolidated Statement of Profit and Loss.

Financial guarantee liabilities

Financial guarantees issued by the Group are those contracts that require payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value net off transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset:

- when the contractual rights to the cash flows from the financial asset expire, or
- it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Consolidated Statement of Profit and Loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Derivative financial instruments

The Group holds derivative financial instruments, such as foreign currency forward contracts, interest rate swaps, to hedge its foreign currency and interest rate risk exposures.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in Consolidated Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

d. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Borrowing costs directly attributable to the acquisition or construction of those qualifying property, plant and equipment, which necessarily take a substantial period of time to get ready for their intended use, are capitalised. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate components of property, plant and equipment.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Consolidated Statement of Profit and Loss. Property, plant and equipment under construction are disclosed as Capital work-in-progress. Assets retired from active use and held for disposal are stated at the lower of their net book value and fair value less cost to sell and shown under 'Current assets'.

Foreign currency exchange differences on loans used for purchases of property, plant and equipment prior to 1 April 2016, are continued to be capitalised as per policy stated in note 3(b) above.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation

Depreciation for the year is recognised in the Consolidated Statement of Profit and Loss. Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

estimated using the straight line method, in the manner specified in Part C of Schedule II of the Act. The estimated useful lives of items of property, plant and equipment are consistent with the Schedule II of the Companies Act, 2013.

Assets acquired under finance lease are depreciated over the shorter of the lease term and their useful life unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

Freehold land is not depreciated. Leasehold land (includes development cost) is amortised on a straight line basis over the period of respective lease, except leasehold land acquired on perpetual lease. Useful lives and residual values are reviewed at each financial year end and adjusted as appropriate.

Depreciation on additions (discard/disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (discarded/disposed off).

e. Intangible assets

(i) Recognition and measurement

Acquired Intangible assets:

Intangible assets are initially measured at cost and subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

Internally generated intangible assets:

Expenditure pertaining to research is expensed out as an when incurred. Expenditure incurred on development is capitalised if such expenditure leads to creation of an asset, otherwise such expenditure is charged to consolidated statement of profit and loss

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

(iii) Amortisation

Amortisation is the systematic allocation of the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in Consolidated Statement of Profit and Loss.

The estimated useful lives are as follows:

- Trademarks	5 years
- Computer software	5 years
- Technical know-how	3 years

Useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

f. Inventories

Inventories which comprise raw materials, work-in-progress, finished goods, stock-in-trade, packing materials, stores and spares are measured at the lower of cost and net realisable value.

The cost of inventories is ascertained on the 'weighted average' basis. Cost comprise comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Excise duty was included in the valuation of closing inventory of finished goods up to 30 June 2017, before the implementation of Goods and Services Tax.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

In the case of finished goods and work-in-progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

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

Assessment of net realisable value is made at each subsequent reporting date. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the amount of the write-down is reversed.

g. Impairment

(i) Impairment of financial instruments: financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Group recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivable with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime of the ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in the Consolidated Statement of Profit and Loss.

In case of trade receivables, the Group follows the simplified approach permitted by Ind AS 109 Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Group to track changes in credit risk. The Group calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes subsequent information. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Group's corporate assets (e.g. corporate office for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Consolidated Statement of Profit and Loss.

Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

In respect of assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

h. Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Group's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the Consolidated Balance Sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Consolidated Balance Sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the Consolidated Statement of Profit and Loss.

i. Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into 'Employees' Provident Fund established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions under employee provident fund to Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Consolidated Statement of Profit and Loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed quarterly by an independent qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements. The Group recognises all actuarial gains and losses arising from defined benefit plan immediately in the Consolidated Statement of Profit and Loss.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other comprehensive income (OCI). The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Consolidated Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the Consolidated Statement of Profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iv) Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Such benefits are in form of leave encashment that accrue to employees in return of their service. The calculation of other long term employee benefits is performed quarterly by an independent qualified actuary using the projected unit credit method. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other comprehensive income (OCI). Net interest expense and other expenses related to defined benefit plans are recognised in Consolidated Statement of Profit and Loss.

(v) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

j. Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

k. Revenue

(i) Sale of goods

Effective 1 April 2018, the Group adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method and applied the same to contracts that were not completed as of 1 April 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted – i.e. the comparative information continues to be reported under Ind AS 18. Refer note 3 (k) of the consolidated financial statements - Significant accounting policies – 'Revenue- Sale of goods' in the Annual report of the Group for the year ended 31 March 2018, for the revenue recognition policy as per Ind AS 18. The following is a summary of new and/or revised significant accounting policies related to revenue recognition. The effect on adoption of Ind AS 115 was insignificant.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

The Group manufactures, sells and trades in plywood and allied products, medium density fibreboard and allied products and wall covers, solid surface, etc. Sales are recognised when control of the products has transferred, being when the products are delivered to the dealer, the dealer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the dealer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risk of obsolescence and loss have been transferred to the dealer, and either the dealer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

The products are often sold with retrospective volume discounts based on aggregate sales over a 12 months period, cash discount on payment within specified period, promotional gifts on achieving specific targets, quality claims if claims made in the specified period and other promotional expenses such as tours and travel packages etc. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts, cash discounts, quality claims and promotional expenses. Accumulated experience is used to estimate and provide for the discounts/claims/provisions, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability (netted off with trade receivables) is recognised for expected volume discount payables, expected cash discount payables and expected quality claims in relation to sales made until the end of reporting period. Provision (included in other current liabilities) is recognised for expected sales promotional expenses against the sales made until the end of reporting period. No element of financing is deemed present as the sales are made with a credit term of 30-90 days, which is consistent with market practice.

Generally, the Group receives short term advances from its customers. Using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised goods to the customer and when the customer pays for that goods will be one year or less.

(ii) Insurance claim

Insurance claims are accounted for on acceptance basis.

I. Government Grants

Grants from Government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Group will comply with the conditions attached thereto.

Government grants related to revenue are recognised in the Consolidated Statement of Profit and Loss on a systematic and rational basis in the periods in which the Group recognises the related costs for which the grants are intended to compensate and are netted off with the related expenditure. If not related to a specific expenditure, it is taken as income and presented under "Other Operating Revenue".

Government grants relating to property, plant and equipment are treated as deferred income and are credited to the statement of profit and loss on a systematic basis over the expected useful life of the related asset to match them with the costs for which they are intended to compensate and presented as other income.

m. Leases

(i) Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(ii) Assets held under leases

Leases of property, plant and equipment that transfer to the Group substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Group substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Group's Balance Sheet.

(iii) Lease payments

Payments made under operating leases are generally recognised in Consolidated Statement of Profit and Loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease. Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

n. Recognition of dividend income, interest income or expense

Dividend income is recognised in Consolidated Statement of Profit and Loss on the date on which the Group's right to receive payment is established.

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

o. Income tax

Income tax expense comprises of current tax and deferred tax. Current tax and deferred tax is recognised in the Consolidated Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are off set only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (tax base). Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to off set current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

In case of tax payable as Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961, the credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

p. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

q. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

r. Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors of the Group.

s. Cash and cash equivalents

Cash and cash equivalents include cash and cash-on-deposit with banks. The Group considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents. Bank overdraft are repayable on demand and form an integral part of an entity's cash management. Bank overdraft are included as a component of cash and cash equivalents for the purpose of statement of cash flows.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

t. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

u. Earnings per share

Basic earnings per share is 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.

v. Operating segment

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance. The CODM consists of the Chairman cum Managing Director, Joint Managing Director and Chief Financial Officer.

The Group has currently two reportable segments namely:

- i) Plywood and allied products, and
- ii) Medium density fibreboards and allied products

w. Determination of fair values

Fair values have been determined for measurement and disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Non-derivative financial assets

Non-derivative financial assets are initially measured at fair value. If the financial asset is not subsequently accounted for at fair value through profit or loss, then the initial measurement includes directly attributable transaction costs. These are measured at amortised cost or at FVTPL. Investments in quoted equity instruments are measured at FVTPL.

(ii) Trade and other receivables

The fair values of trade and other receivables are estimated at the present value of future cash flows, discounted at the market rate of interest at the measurement date. Short-term receivables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and, for disclosure purposes, at each annual reporting date.

(iii) Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

(iv) Other non-derivative financial liabilities

Other non-derivative financial liabilities are measured at fair value, at initial recognition and for disclosure purposes, at each annual reporting date. Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

x. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

y. Equity accounted investees

The Group's interest in equity accounted investee comprises interest in joint venture.

A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint ventures are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which joint control ceases.

3A. Standards issued but not yet effective

In March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019, notifying Ind AS 116 'Leases' and amendments to certain IND AS. The Standard / amendments are applicable to the Group with effect from 1st April 2019.

I Ind AS 116 - Leases

The Group is required to adopt Ind AS 116 Leases from 1 April 2019. Ind AS 116 introduces a single on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance Ind AS 17 Leases.

The Group has completed an initial assessment of the potential impact on its consolidated financial statements but has not yet completed its detailed assessment. The quantitative impact of adoption of Ind AS 116 on the consolidated financial statements in the period of initial application is not reasonably estimable as at present.

The Group will recognise new assets and liabilities for its operating leases of land and vehicles. The nature of expenses related to those leases will now change because the Group will recognise a depreciation charge for right-of-use assets and interest expense on lease liabilities.

Previously, the Group recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

In addition, the Group will no longer recognise provisions for operating leases that it assesses to be onerous. Instead, the Group will include the payments due under the lease in its lease liability and apply Ind AS 36, Impairment of Assets to determine whether the right-of-use asset is impaired and to account for any impairment.

No significant impact is expected for the Group's finance lease.

Transition to Ind AS 116

The Group plans to apply Ind AS 116 with modified retrospective approach with cumulative effect of applying the standard, recognised on the date of initial application (1 April 2019). The Group will elect to apply the standard to contracts that were previously identified as leases applying Ind AS 17. The Group will therefore not apply the standard to contracts that were not previously identified as containing a lease applying Ind AS 17.

The Group will elect to use the exemptions proposed by the standard on lease contracts for which the lease terms ends within 12 months as of the date of initial application, and lease contracts for which the underlying asset is of low value.

The Group intends to adopt this standard. However, adoption of this standard by the Group is not likely to have a significant impact in the Consolidated financial statements.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

II Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Group does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Group does not expect any significant impact of the amendment on its consolidated financial statements.

III Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Group does not expect this amendment to have any impact on its consolidated financial statements.

IV Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Group does not expect this amendment to have any significant impact on its financial statements.

V Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Group does not expect any impact from this amendment.

VI Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Group does not expect any impact from this amendment.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

4. Property, plant and equipment

See accounting policy in note 3(d) and (g).

(a) Reconciliation of carrying amount

(₹ in Lakhs)

	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
Cost (Gross carrying amount)							
Balance at 1 April 2017	4,884.38	13,565.08	51,115.82	2,318.92	5,506.59	1,590.23	78,981.02
Additions	4,810.87	1,633.47	2,579.81	320.21	1,761.24	192.18	11,297.78
Disposals/ discard	(50.72)	(371.44)	(1,167.28)	(87.12)	(1,132.03)	(20.64)	(2,829.23)
Exchange differences on translation of foreign operations	208.29	51.50	75.64	2.55	7.72	0.36	346.06
Balance at 31 March 2018	9,852.82	14,878.61	52,603.99	2,554.56	6,143.52	1,762.13	87,795.63
Balance at 1 April 2018	9,852.82	14,878.61	52,603.99	2,554.56	6,143.52	1,762.13	87,795.63
Balance transferred pursuant to scheme of arrangement (refer note 36)	(4,792.75)	(6,078.97)	(41,536.25)	(1,358.31)	(4,307.00)	(944.19)	(59,017.47)
Additions	-	2,839.34	3,805.77	383.53	427.55	73.68	7,529.87
Disposals/ discard	-	(6.83)	(500.93)	(15.02)	(373.60)	(23.28)	(919.66)
Exchange differences on translation of foreign operations	(102.50)	(56.00)	(45.00)	(1.86)	(5.24)	(0.36)	(210.96)
Balance at 31 March 2019	4,957.57	11,576.15	14,327.58	1,562.90	1,885.23	867.98	35,177.41
Accumulated depreciation							
Balance at 1 April 2017	-	2,963.32	20,989.03	726.76	1,168.21	750.70	26,598.02
Depreciation for the year	-	479.70	3,263.87	251.54	590.15	309.33	4,894.59
Adjustments/ disposals	-	(42.84)	(864.00)	(38.91)	(198.88)	(18.95)	(1,163.58)
Exchange differences on translation of foreign operations	-	2.41	8.03	0.16	2.13	0.05	12.78
Balance at 31 March 2018	-	3,402.59	23,396.93	939.55	1,561.61	1,041.13	30,341.81
Balance at 1 April 2018	-	3,402.59	23,396.93	939.55	1,561.61	1,041.13	30,341.81
Balance transferred pursuant to scheme of arrangement (refer note 36)	-	(1,868.65)	(17,465.48)	(529.78)	(1,008.59)	(517.90)	(21,390.40)
Depreciation for the year	-	390.72	1,320.09	125.79	235.51	136.16	2,208.27
Adjustments/ disposals	-	(6.48)	(313.80)	(2.88)	(196.11)	(13.94)	(533.21)
Exchange differences on translation of foreign operations	-	(5.43)	(12.07)	(0.38)	(1.55)	(0.10)	(19.53)
Balance at 31 March 2019	-	1,912.75	6,925.67	532.30	590.87	645.35	10,606.94
Carrying amounts (net)							
Balance at 31 March 2018	9,852.82	11,476.02	29,207.06	1,615.01	4,581.91	721.00	57,453.82
Balance at 31 March 2019	4,957.57	9,663.40	7,401.91	1,030.60	1,294.36	222.63	24,570.47

(b) Vehicles held under finance leases

The Group has acquired vehicles under finance lease agreements. The leased vehicles secures related lease obligations (see note 19). The gross and net carrying amounts of vehicles acquired under finance leases and included in above are as follows:

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Cost	-	1,650.97
Accumulated depreciation	-	265.63
Net carrying amount *	-	1,385.34

* From 1 April 2018, assets held under finance lease were transferred under scheme of arrangement.(refer note 36)

(c) For contractual commitment with respect to property, plant and equipment, refer note 39.

(d) Security

As at 31 March 2019, property, plant and equipment with a carrying amount of ₹9,751.50 lakhs (31 March 2018: ₹42,586.90 lakhs) are subject to first charge to secured borrowings (see note 19 and 36).

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

5. Capital work-in-progress

See accounting policy in note 3(d) and (g)

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
At the beginning of the year	77,040.12	26,869.37
Transferred pursuant to scheme of arrangement (refer note 36)	(73,348.65)	-
Additions during the year	1,498.68	55,461.68
Capitalised during the year	(3,546.35)	(5,248.67)
Exchange differences on translation of foreign operations	(47.26)	(42.26)
At the end of the year	1,596.54	77,040.12
Capital work-in-progress includes:		
Expenditure incurred during construction period on new manufacturing facility of the Group, given below:		
At the beginning of the year	7,323.79	1,662.15
Transferred pursuant to scheme of arrangement (refer note 36)	(7,056.15)	-
Additions during the year:		
Finance costs	23.85	4,073.47
Employees benefits expense	-	728.56
Legal and professional fees	-	674.84
Power and fuel	-	79.40
Miscellaneous expenses	-	105.37
	23.85	5,661.64
Less: Capitalised during the year	174.68	-
At the end of the year	116.81	7,323.79

Note:

(a) General borrowing costs capitalised during the year amounted to ₹Nil (31 March 2018: ₹850.43 lakhs), with a capitalisation rate of ₹Nil (31 March 2018: 9.37% p.a.)

(b) As at 31 March 2019, properties under capital work-in-progress with a carrying amount of ₹206.32 lakhs (31 March 2018: ₹76,922.75 lakhs) are subject to first charge to secured borrowings (see note 19 and 36).

6. Other intangible assets

See accounting policy in note 3(e) and (g)

Reconciliation of carrying amount

(₹ in Lakhs)

	Licenses (indefinite life)	Trade marks	Computer software	Technical knowhow	Total
Cost (Gross carrying amount)					
Balance at 1 April 2017	-	22.87	694.47	45.20	762.54
Additions	395.00	-	75.05	-	470.05
Disposals/write-off	-	-	(3.93)	(45.20)	(49.13)
Exchange differences on translation of foreign operations	-	-	1.11	-	1.11
Balance at 31 March 2018	395.00	22.87	766.70	-	1,184.57
Balance at 1 April 2018	395.00	22.87	766.70	-	1,184.57
Balance transferred pursuant to scheme of arrangement (refer note 36)	-	-	(222.01)	-	(222.01)
Additions	175.35	-	4.62	-	179.97
Disposals/write-off	-	-	(6.28)	-	(6.28)
Exchange differences on translation of foreign operations	-	-	(0.18)	-	(0.18)
Balance at 31 March 2019	570.35	22.87	542.85	-	1,136.07
Accumulated amortisation					
Balance at 1 April 2017	-	6.89	504.88	41.99	553.76
Amortisation for the year	-	4.58	78.73	3.21	86.52
Adjustments/ disposals	-	-	(3.89)	(45.20)	(49.09)

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

6. Other intangible assets (contd.)

(₹ in Lakhs)

	Licenses (indefinite life)	Trade marks	Computer software	Technical knowhow	Total
Exchange differences on translation of foreign operations	-	-	0.21	-	0.21
Balance at 31 March 2018	-	11.47	579.93	-	591.40
Balance at 1 April 2018	-	11.47	579.93	-	591.40
Balance transferred pursuant to scheme of arrangement (refer note 36)	-	-	(104.88)	-	(104.88)
Amortisation for the year	-	4.58	30.26	-	34.84
Adjustments/ disposals	-	-	(2.85)	-	(2.85)
Exchange differences on translation of foreign operations			(0.27)	-	(0.27)
Balance at 31 March 2019	-	16.05	502.19	-	518.24
Carrying amounts (net)					
Balance at 31 March 2018	395.00	11.40	186.77	-	593.17
Balance at 31 March 2019	570.35	6.82	40.66	-	617.83

Licenses (indefinite life):

For Licenses of the Group that are regarded to have indefinite useful lives represents license to set-up and operate wood peeling plant, medium density fibreboard plant and particle board plant. There is no foreseeable limit to the period over which these licenses will be valid and are expected to generate cash flows for the Group.

7. Investments

See accounting policy in note 3(c), (g) and (y)

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Non-current investments		
Unquoted		
Investment accounted for using the equity method		
3,750,000 (31 March 2018: 3,750,000) equity shares of Greenply Alkema (Singapore) Pte. Limited, (face value USD 1 each, fully paid-up)	2,223.80	1,844.46
Quoted		
Equity instruments carried at fair value through profit and loss (FVTPL)		
3,400 (31 March 2018: 3,400) equity shares of Indian Overseas Bank Limited (face value ₹10 each, fully paid-up)	0.49	0.59
	2,224.29	1,845.05
Aggregate book value of quoted investments	0.49	0.59
Aggregate market value of quoted investments	0.49	0.59
Aggregate value of unquoted investments	2,223.80	1,844.46
Aggregate amount of impairment in value of investments	-	-

Information about the Group's fair value measurement and exposure to credit and market risks are disclosed in note 43 and 44.

Equity accounted investees

Interest in a joint venture	2,223.80	1,844.46
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Joint Venture

Greenply Alkema (Singapore) Pte. Limited is a joint arrangement in which the Group has 50% ownership interest. It is one of the Group's strategic raw material supplier and is principally engaged in the business of trading and marketing of commercial veneers and panel products. Greenply Alkema (Singapore) Pte. Limited is not publicly listed.

Greenply Alkema (Singapore) Pte. Limited is structured as a separate legal entity and the Group has an interest in the net assets of Greenply Alkema (Singapore) Pte. Limited. Accordingly, the Group has classified its interest in Greenply Alkema (Singapore) Pte. Limited as a joint venture.

During the year ended 31 March 2019, there has been a realignment of the Group's holding in its step-down Joint Venture Company namely Greenply Alkema (Singapore) Pte. Ltd. [a joint venture company of the Holding Company through its wholly owned subsidiary Greenpanel Singapore Pte. Ltd., Singapore (formally known as Greenply Trading Pte. Ltd.) and Alkema Singapore Pvt. Ltd., Singapore] whereby the Group's investment of USD 3,750,000 (37,50,000 ordinary shares of USD 1 each) in the said Joint-Venture Company, which was held through Greenpanel Singapore Pte.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

7. Investments (contd.)

Ltd., Singapore (formally known as Greenply Trading Pte. Ltd.), is now being held through Greenply Holdings Pte. Ltd., Singapore, existing wholly owned subsidiary of the Holding Company.

Pursuant to the Scheme of arrangement, overseas subsidiary viz. Greenpanel Singapore Pte. Ltd., Singapore (formally known as Greenply Trading Pte. Ltd.) was transferred to Greenpanel Industries Limited and have ceased to be subsidiary of the Holding Company (refer note 36).

The following table summarise the financial information of Greenply Alkema (Singapore) Pte. Limited and the carrying amount of the Group's interest in Greenply Alkema (Singapore) Pte. Limited.

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Percentage ownership interest	50%	50%
Non-current assets	3,031.20	2,553.69
Current assets (including cash and cash equivalents – 31 March 2019: ₹165.29 lakhs, 31 March 2018: ₹99.33 lakhs)	3,234.23	2,868.26
	6,265.43	5,421.95
Current liabilities (current financial liabilities other than trade payables and other financial liabilities and provisions– 31 March 2019: ₹1,700.45 lakhs, 31 March 2018: ₹1,485.22 lakhs)	(1,817.84)	(1,733.03)
	(1,817.84)	(1,733.03)
Net assets	4,447.59	3,688.92
Group's share of net assets	2,223.80	1,844.46
Carrying amount of interest in joint venture	2,223.80	1,844.46

(₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Percentage ownership interest	50%	50%
Revenue	7,767.07	6,975.09
Depreciation and amortisation	(245.68)	(171.89)
Interest expense	(146.57)	(89.18)
Income tax expense	(5.34)	(9.53)
Profit/(Loss)	988.73	(1,520.49)
Other comprehensive income/(loss)	-	-
Total comprehensive income/(loss)	988.73	(1,520.49)
Group's share of Profit/(loss)	494.36	(760.25)
Group's share of other comprehensive income/(loss)	-	-
Group's share of total comprehensive income/(loss)	494.36	(760.25)

During the years ended 31 March 2019 and 31 March 2018, the Group did not receive dividends from the joint venture.

8. Loans

(Unsecured, considered good)

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Non-current		
Security deposits	242.16	1,407.31
Loan to employees	32.47	38.00
	274.63	1,445.31
Current		
Loan to employees	44.65	138.47
	319.28	1,583.78

For security deposits given to related parties refer note 41.

9. Non-current tax assets

See accounting policy in note 3(o)

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Income tax refundable [net of provisions for tax ₹19,426.22 lakhs (31 March 2018: ₹17,133.33 lakhs)]	418.61	153.49
	418.61	153.49

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

10. Inventories

(Valued at the lower of cost and net realisable value)

See accounting policy in note 3(f)

	As at 31 March 2019	As at 31 March 2018
Raw materials	6,582.14	11,017.64
[including in transit ₹1,132.24 Lakhs (31 March 2018 ₹1,249.97 lakhs)]		
Work-in-progress	2,049.23	2,085.27
Finished goods	5,281.86	3,796.30
[including in transit ₹1,536.67 lakhs (31 March 2018 ₹1630.91 lakhs)]		
Stock in trade	2,407.29	3,858.79
[including in transit ₹1,245.03 lakhs (31 March 2018 ₹1,226.27 lakhs)]		
Stores and spares	623.19	2,362.90
[including in transit ₹71.66 lakhs (31 March 2018 ₹83.62 lakhs)]		
	16,943.71	23,120.90

For carrying amount of inventories is pledged as securities against borrowings, refer note 19.

The write-down of inventories to net realisable value during the year by the Group amounted to Nil (31 March 2018: ₹371.32 lakhs). These are recognised as expenses during the respective period and included in changes in inventories of stock-in-trade

11. Trade receivables

	As at 31 March 2019	As at 31 March 2018
Current		
Unsecured		
- Considered good	30,993.37	29,381.86
- Credit impaired	16.22	93.72
	31,009.59	29,475.58
Less: Loss allowances	504.63	915.44
Net trade receivables	30,504.96	28,560.14

Notes:

- No trade or other receivables are due from directors or other officers of the Group either severally or jointly with any other person.
- Information about the Group's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 44.
- For terms and conditions of trade receivables owing from related parties, see note 41.
- For receivables secured against borrowings, see note 19.

12. Cash and cash equivalents

See accounting policy in note 3(s)

	As at 31 March 2019	As at 31 March 2018
Cash on hand	27.82	43.44
Cheques in hand	1,331.95	247.60
Balances with banks		
- On current accounts	672.11	2,511.01
- On deposit accounts (with original maturities up to 3 months)	-	515.36
Cash and cash equivalents in balance sheet	2,031.88	3,317.41
Bank overdrafts used for cash management purposes	(1,617.58)	(1,020.31)
Cash and cash equivalents in the consolidated statement of cash flows	414.30	2,297.10

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

13. Bank balances other than cash and cash equivalents

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Bank deposits due to mature after 3 months of original maturities but within 12 months from the reporting date*	22.13	31.34
Earmarked balances with banks for unpaid dividend accounts	3.90	4.02
	26.03	35.36

*Pledged/lodged with various government authorities as security

14. Other non-current assets

(Unsecured, considered good)

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Capital advances	449.93	1,100.67
Advances other than capital advances		
Unmatured finance charges	27.10	210.92
Leasehold land prepayments (refer note below)	2,626.51	4,089.54
Deposits against demand under appeal and/or under dispute	52.94	-
Amount due from government authorities	213.72	319.15
Security deposits	26.01	26.01
	3,396.21	5,746.29

Note:

Leasehold land prepayments relate to land leases classified as operating as the title is not expected to transfer at the end of the lease term and considering that the land has an indefinite economic life.

15. Other financial assets

(Unsecured, considered good)

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Non-current		
Government grants receivable (refer note 15.1)	2,230.66	2,001.73
Bank deposits due to mature after 12 months from the reporting date*	-	17.66
	2,230.66	2,019.39
Current		
Government grants receivable (refer note 15.2)	612.09	1,934.62
Insurance claim receivable	66.55	-
Export incentive receivable	-	11.74
	678.64	1,946.36
	2,909.30	3,965.75

*Pledged/lodged with various government authorities as security

15.1 Government grant receivable includes excise duty refund receivable from department of excise ('the department') for Tizit unit, Nagaland amounting to **₹2,001.73** lakhs (31 March 2018: ₹2,001.73 lakhs). As per notification 32/1999 dated 8 July 1999 issued by Central Excise, the unit was eligible for 100% refund of excise duty paid on sale of goods for 10 years. Notification 20/2007 dated 25 April 2007 further extended for a period of 10 years. The department vide its notification 17/2008 dated 27 March 2008 revised the excise duty incentive from existing 100% to 36% for plywood industries. The Holding Company had filed an appeal in Hon'ble Gauhati High Court for reduction in incentive by 64%, however, the excise department had filed a case before the Hon'ble Supreme court of India for stay of the proceedings before the Hon'ble Gauhati High Court. Based on the Supreme Court order dated 7 December 2015, the department refunded 50% of balance 64% to the Holding Company. As on 31 March 2019, the case is pending with Hon'ble Supreme Court. Based on the independent legal opinion obtained by the management, the Holding Company continues to believe that they have merit in the case to receive refund of balance excise duty from the department.

15.2 Government grant receivable represents incentives against scheme of budgetary support under Goods and Services Tax Regime for the unit set-up in Tizit, Nagaland. As on 31 March 2018, government grant receivable also includes for unit set up in Rudrapur-Medium Density Fibreboard Uttarakhand which was transferred under scheme of arrangement (refer note 36)

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

16. Other current assets

(Unsecured, considered good)

	As at 31 March 2019	As at 31 March 2018
To parties other than related parties		
Advances to suppliers	1,640.60	1,860.01
Advances to employees	32.36	33.18
Prepaid expenses	723.99	1,166.50
Unmatured finance charges	32.48	115.41
Leasehold land prepayments (refer note below)	48.58	48.58
Amount due from government authorities	120.52	4,343.67
	2,598.53	7,567.35

Note:

Leasehold land prepayments relate to land leases classified as operating as the title is not expected to transfer at the end of the lease term and considering that the land has an indefinite economic life.

17. Equity share capital

See accounting policy in note 3(q)

	As at 31 March 2019	As at 31 March 2018
Authorised		
160,000,000 (31 March 2018: 160,000,000) equity shares of ₹1 each	1,600.00	1,600.00
Issued, subscribed and fully paid-up		
122,627,395 (31 March 2018: 122,627,395) equity shares of ₹1 each	1,226.27	1,226.27

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

	As at 31 March 2019		As at 31 March 2018	
	Number	Amount	Number	Amount
Balance at the beginning and at the end of the year	12,26,27,395	1,226.27	12,26,27,395	1,226.27

(b) Rights, preferences and restrictions attached to equity shares

The Holding Company has a single class of equity shares with par value of ₹1 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Holding Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared by the Holding Company from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Holding Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture.

On winding up of the Holding Company, the holders of equity shares will be entitled to receive the residual assets of the Holding Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

Note:

Shares held in abeyance

In compliance with the provisions of the Companies Act, 2013, 8,020 equity shares of the Holding Company held by 6 shareholders have been held in abeyance.

(c) Particulars of shareholders holding more than 5% shares of fully paid up equity shares

	As at 31 March 2019		As at 31 March 2018	
Equity shares of ₹1 each	Number	%	Number	%
S.M. Management Private Limited	31,626,965	25.79%	31,626,965	25.79%
Prime Holdings Private Limited	12,042,800	9.82%	12,042,800	9.82%
HSBC Bank (Mauritius) Limited - Jwalamukhi Investment Holdings	11,787,720	9.61%	11,884,420	9.69%
Trade Combines	11,702,380	9.54%	11,702,380	9.54%
SBI FMCG Fund	-	-	7,699,860	6.28%
HDFC Trustee Company Limited	10,425,455	8.50%	10,260,455	8.37%

(d) The Holding Company has not reserved any shares for issue under options and contracts/commitments for the sale of shares/disinvestment.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

17. Equity share capital (contd.)

(e) The Holding Company for the period of five years immediately preceding the reporting date 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.

18. Other equity

	As at 31 March 2019	As at 31 March 2018
Securities premium		
Balance at the commencement of the year	4,852.03	4,852.03
Less: Amount adjusted pursuant to scheme of arrangement (refer note 36)	4,852.03	-
Balance at the end of the year	-	4,852.03
General reserve		
Balance at the commencement of the year	29,962.24	23,462.24
Add: Transfer from retained earnings	-	6,500.00
Less: Amount adjusted pursuant to scheme of arrangement (refer note 36)	29,962.24	0.00
Balance at the end of the year	-	29,962.24
Retained earnings		
Balance at the commencement of the year	51,940.32	48,143.74
Add: Profit for the year	7,967.16	11,062.71
Less: Amount adjusted pursuant to scheme of arrangement (refer note 36)	26,215.39	-
Less : Exchange differences in translating financial statements of foreign operations reclassified to profit or loss	388.74	-
Less: Transfer to general reserve	-	6,500.00
Less: Dividend on equity shares	735.76	735.76
Add: Remeasurements of the net defined benefit plans	(6.57)	119.41
Less: Dividend distribution tax	151.24	149.78
Balance at the end of the year	32,409.78	51,940.32
Other comprehensive income (OCI)		
Balance at the commencement of the year	(230.32)	(418.13)
Exchange differences in translating financial statements of foreign operations reclassified to profit or loss	388.74	-
Exchange differences in translating financial statements of foreign operations	(272.08)	187.81
Balance at the end of the year	(113.66)	(230.32)
	32,296.12	86,524.27

(a) Description, nature and purpose of reserve:

- Securities premium** : Securities premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs etc.
- General reserve**: The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes or as allowed by the Companies Act, 2013.
- Retained earnings**: Retained earnings are the profits by the group has earned till date, less any transfer to general reserve, dividends or other distributions paid to shareholders. It also includes remeasurement gain/loss of defined benefit plan.
- Other comprehensive income (OCI)**: It comprises of exchange differences in translating financial statements of foreign operations.

(b) Disaggregation of changes in items of OCI

	As at 31 March 2019	As at 31 March 2018
Retained earnings		
Exchange differences in translating financial statements of foreign operations	(113.66)	(230.32)
	(113.66)	(230.32)

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

19. Borrowings

See accounting policy in note 3(b), (c) and (p)

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Non-current borrowings		
Secured		
Term loans		
From banks		
Foreign currency loans	5,951.87	35,552.53
Rupee loans	4,396.19	13,183.49
	10,348.06	48,736.02
Less: Current maturities of non-current borrowings (refer note 20)	2,624.17	2,318.21
	7,723.89	46,417.81
Loan against vehicles	539.08	1,623.58
Less: Current maturities of loan against vehicles (refer note 20)	220.68	416.95
	318.40	1,206.63
Finance lease obligations	-	901.45
Less: Current maturities of finance lease obligations (refer note 20)	-	172.98
	-	728.47
	8,042.29	48,352.91
Unsecured		
Loan against vehicles	-	203.33
Less: Current maturities of loan against vehicles (refer note 20)	-	77.09
	-	126.24
	8,042.29	48,479.15
Current borrowings		
Secured		
From banks		
Foreign currency loan - buyers credit	826.26	5,256.54
Foreign currency loans	1,935.08	1,885.15
Bank overdraft	1,617.58	1,020.31
Rupee loans - repayable on demand	3,153.57	3,570.87
Rupee loans - bill discounting	3,418.93	4,319.77
	10,951.42	16,052.64
Unsecured		
From banks		
Channel finance assurance facility*	800.00	949.65
Foreign loans - bill discounting	1,133.43	-
Rupee loans - bill discounting	1,130.36	2,651.03
	3,063.79	3,600.68
From others		
Channel finance assurance facility*	100.00	100.00
	100.00	100.00
	14,115.21	19,753.32

* The Group through banks and other source facilitate channel finance for inventory funding facility for its customers. Such arrangements do not qualify for de-recognition due to some liability of loss is still with the Group. Consequently at the year-end, the amount of liability of loss which remains with the Group are shown as unsecured loan.

Information about the Group's exposure to credit and currency risks, and loss allowances related to borrowings are disclosed in note 44.

(A) Terms of repayment

(₹ in Lakhs)

Name of the lender	Interest rate	Repayment schedule	Year of maturity	As at 31 March 2019	As at 31 March 2018
(i) Foreign currency term loans					
Landesbank Baden-Wurttemberg [EUR Nil (31 March 2018: EUR 368.81 lakhs)]	-	-	-	-	27,540.14
Standard Chartered Bank [USD Nil (31 March 2018: USD 90 lakhs)]	-	-	-	-	5,847.72

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

19. Borrowings (contd.)

(₹ in Lakhs)

Name of the lender	Interest rate	Repayment schedule	Year of maturity	As at 31 March 2019	As at 31 March 2018
Axis Bank Limited [USD 28.30 lakhs (31 March 2018: USD 33.30 lakhs)]	3 month Libor +2.75%	Repayable at quarterly rest: 17 of USD 1.67 lakhs	2023-24	1,956.16	2,164.67
Export-Import Bank of India [EURO 55.00 lakhs (31 March 2018: Nil)]	3 month Euribor +3.25%	Repayable at quarterly rest: 16 of EURO 3.43 lakhs	2022-23	3,995.71	-
				5,951.87	35,552.53
(ii) Rupee term loans					
HDFC Bank Limited	-	-	-	-	4,986.02
HDFC Bank Limited	3 year MCLR	Repayable at quarterly rest: 12 of ₹150.00 lakhs and 4 of ₹300.00 lakhs	2023-24	2,996.88	2,995.81
HDFC Bank Limited	1 year MCLR +0.60%	Repayable at quarterly rest: 7 of ₹200.00 lakhs	2020-21	1,399.31	2,198.68
State Bank of India	-	-	-	-	1,006.08
State Bank of India	-	-	-	-	997.84
IDBI Bank Limited	-	-	-	-	999.05
				4,396.19	13,183.49
Total				10,348.06	48,736.02

(B) Details of security

- Term loans from Landesbank Baden-Wurttemberg, Standard Chartered Bank, HDFC Bank Limited and State Bank of India were transferred pursuant to scheme of arrangement (refer note 36).
- Other term loans of ₹4,396.19 lakhs (31 March 2018: ₹6,193.54 lakhs) are secured by:
 - First pari-passu charge on immovable fixed assets of the Holding Company situated at Kriparampur (West Bengal).
 - First pari passu charge on all movable fixed assets of the Holding Company, present and future, except assets specifically charged to other lenders.
 - Second pari passu charge on all the current assets of the Holding Company.
- Term loan of Greenply Middle East Limited from Axis Bank Limited of ₹1,956.16 lakhs (31 March 2018: ₹2,164.67 lakhs) is secured by Standby letter of credit.
- Term loan of Greenply Gabon SA from Export Import Bank of India of ₹3,995.71 lakhs (31 March 2018: Nil) is secured by exclusive charge on the movable project assets including current assets at Gabon and Corporate guarantee from the Holding Company. Pledge of 100% shares of the Greenply Gabon SA held by Greenply Middle East Limited U.A.E.
- Secured Loan against vehicles are in respect of finance of vehicles, secured by hypothecation of the respective vehicles, which is repayable in 12 to 60 months and with interest rate ranging between 8.00% p.a to 10.40% p.a.
- Working capital loans of ₹3,153.57 lakhs (31 March 2018: ₹3,570.87 lakhs) are secured by:
 - First pari passu charge on all the current assets of the Holding Company.
 - Second pari passu charge on all movable fixed assets of the Holding Company, present and future, except assets specifically charged to other lenders.
 - Second pari-passu charge on immovable fixed assets of the Holding Company situated at Kriparampur (West Bengal).
- Working capital loans of Greenply Middle East Limited of ₹1,935.08 lakhs (31 March 2018: ₹1,885.15 lakhs) and Bank overdraft of Greenply Middle East Limited of ₹1,617.58 lakhs (31 March 2018: ₹1,020.31 lakhs) are secured by Standby letter of credit issued by Axis Bank Limited, India and CITI Bank, India on behalf of the Holding Company.
- Foreign currency loan - buyers credit and bill discounting of ₹1,959.69 lakhs (31 March 2018: ₹5,256.54 lakhs) and Rupee loans - bill discounting of ₹3,418.93 lakhs (31 March 2018: ₹4,319.77 lakhs) is secured by letter of credit/letter of undertaking issued by banks using fund based limit of the Holding Company.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

19. Borrowings (contd.) (₹ in Lakhs)

(C) Finance lease obligations are payables as follows: (₹ in Lakhs)

Retained earnings	As at 31 March 2019	As at 31 March 2018
Total of future minimum lease payment outstanding	-	1,126.21
Less: Interest not due	-	(224.76)
Present value outstanding	-	901.45
Future minimum lease payments payable:		
Not later than one year	-	214.77
Later than one year and not later than five years	-	772.93
More than five years	-	138.50
	-	1,126.21
Present value of minimum lease payments:		
Not later than one year	-	172.98
Later than one year and not later than five years	-	629.91
More than five years	-	98.56
	-	901.45

From 1 April 2018, assets held under finance lease were transferred under scheme of arrangement (refer note 36).

20. Other financial liabilities (₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Non-current		
Security deposits from customers	195.47	1,153.03
Liability for capital goods	768.71	2,336.06
	964.18	3,489.09
Current		
Current maturities of non current borrowings (refer note 19)	2,624.17	2,318.21
Current maturities of loan against vehicles (refer note 19)	220.68	494.04
Current maturities of finance lease obligations (refer note 19)	-	172.98
Interest accrued but not due on borrowings	39.35	105.98
Liability for capital goods	1,258.25	8,554.20
Employee benefits payable (refer note (c) below)	1,571.31	2,330.70
Unclaimed dividend	3.90	4.02
	5,717.66	13,980.13

(a) There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at 31 March 2019.

(b) Information about the Group's exposure to currency and liquidity risks related to the above financial liabilities is disclosed in note 44.

(c) It includes remuneration payable to related parties, refer note 41.

21. Provisions

See accounting policy in note 3(i) and (j) (₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Non-current		
Provisions for employee benefits:		
Net defined benefit liability - gratuity	104.79	1,591.60
Liability for compensated absences	400.22	593.19
	505.01	2,184.79
Current		
Provisions for employee benefits:		
Net defined benefit liability - gratuity	-	321.57
Liability for compensated absences	47.08	148.25
	47.08	469.82

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

22. Other non-current liabilities (₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Deferred income on government grants	-	4,991.70

Government grants have been received for the import of certain items of property, plant and equipment and capital work in progress, under export promotion capital goods (EPCG) scheme of Government of India. The Holding Company has certain export obligations against such benefits availed which the Holding Company will fulfill within the required time period under the scheme. The said grants have been transferred under scheme of arrangement (refer note 36)

23. Trade payables (₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Dues to micro and small enterprises (refer note 48)	83.15	12.31
Dues to other than micro and small enterprises	22,671.10	21,867.09
Dues to related parties (refer note 41)	440.78	17.13
	23,195.03	21,896.53

Information about the Group's exposure to currency and liquidity risks related to trade payables is disclosed in note 44.

24. Derivatives

See accounting policy in note 3(c)(v) (₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Derivative Liability		
Foreign exchange forward contracts	88.54	-
	88.54	-
Derivative Asset		
Foreign exchange interest rate swaps	-	125.97
Foreign exchange forward contracts	-	5.24
	-	131.21

Information about the Group's exposure to interest rate and currency risks related to derivatives is disclosed in note 44.

25. Other current liabilities (₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Statutory dues	1,987.49	2,149.61
Deferred income on government grants (refer note below)	-	2,338.20
Advance from customers	518.47	985.77
	2,505.96	5,473.58

Note:

Government grants have been received for the import of certain items of property, plant and equipment and capital work in progress, under export promotion capital goods (EPCG) scheme of Government of India. The Holding Company has certain export obligations against such benefits availed which the Holding Company will fulfill within the required time period under the scheme. The said grants have been transferred under scheme of arrangement (refer note 36).

26. Revenue from operations

See accounting policy in note 3(k) and (l) (₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Sale of products (including excise duty)		
Finished goods	1,05,586.88	60,957.57
Stock-in-trade	34,826.06	30,568.90
	1,40,412.94	91,526.47
Other operating revenue		
Government grants		
- Refund of goods and service tax and excise duty (refer note 49)	803.23	1,198.42
	803.23	1,198.42
	1,41,216.17	92,724.89

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

26. Revenue from operations (contd.)

Post the applicability of Goods and Service Tax (GST) with effect from 1 July 2017, revenue from operations are disclosed net of GST, whereas excise duty formed part of revenue and expenses in previous year till 30 June 2017. Accordingly, revenue from operations and expenses for the year ended 31 March 2019 are not comparable with the previous year presented in the consolidated financial statements.

Reconciliation of revenue from sale of products with the contracted price		(₹ in Lakhs)
	Year ended 31 March 2019	
Contracted price	1,47,017.44	
Less : Trade discounts, volume rebates etc.	6,604.50	
Sale of products	1,40,412.94	

Disaggregated revenue information

The disaggregation of the Group's revenue from contracts with customers as under: (₹ in Lakhs)

Segment	Year ended 31 March 2019		
	Plywood and allied products	Others	Total
Type of goods:			
Finished goods	1,05,586.88	-	1,05,586.88
Stock-in-trade	34,129.04	697.02	34,826.06
Sale of products	1,39,715.92	697.02	1,40,412.94
Revenue by geography:			
- India	1,26,839.91	697.02	1,27,536.93
- Outside India	12,876.01	-	12,876.01
Total revenue from contracts with customers	1,39,715.92	697.02	1,40,412.94

The reconciliation of the revenue from contracts with customers and other operating revenue is given below :

Segment	Year ended 31 March 2019		
	Plywood and allied products	Others	Total
Sale of goods:			
- External customers	1,39,715.92	697.02	1,40,412.94
- Inter-segment	-	-	-
Other operating revenue	803.23	-	803.23
	1,40,519.15	697.02	1,41,216.17
Inter-segment elimination	-	-	-
Less: Other operating revenue	(803.23)	-	(803.23)
Total revenue from contracts with customers	1,39,715.92	697.02	1,40,412.94

a) The Group presented disaggregated revenue based on the type of goods sold to customers and location of customers. The Group's revenue is recognised for goods transferred at a point in time. The Group believes that the above disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are effected by industry, market and other economic factors.

b) For contract balances i.e. trade receivables and advance from customers, refer note 11 and 25.

27. Other income

	Year ended 31 March 2019	Year ended 31 March 2018
Interest on fixed deposits with banks and others	7.47	13.78
Income from related party:		
- Commission on guarantee given to joint venture (refer note 41)	31.72	28.28
Liabilities no longer required written back	110.64	49.42
Rental income from property	0.60	0.60
Miscellaneous income	176.21	43.50
	326.64	135.58

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

28. Cost of materials consumed

	Year ended 31 March 2019	Year ended 31 March 2018
Inventory of raw materials at the beginning of the year	11,017.64	5,944.39
Balance transferred pursuant to scheme of arrangement (refer note 36)	(4,659.87)	-
Add: Purchases	58,577.44	69,025.77
Less: Inventory of raw materials at the end of the year	(6,582.14)	(11,017.64)
	58,353.07	63,952.52
Less : Relates to transferred business shown under discontinued operations (refer note 37)	-	31,698.68
	58,353.07	32,253.84

29. Purchase of stock in trade

	Year ended 31 March 2019	Year ended 31 March 2018
Purchase of stock-in-trade	30,604.65	25,995.96
	30,604.65	25,995.96

30. Changes in inventories of finished goods, work-in-progress and stock in trade

See accounting policy in note 3(f) (₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Opening inventories		
Work-in-progress	2,085.27	1,605.75
Finished goods	3,796.30	3,793.18
Stock in trade	3,858.79	2,461.59
Balance transferred pursuant to scheme of arrangement (refer note 37)	(3,627.89)	-
	6,112.47	7,860.52
Closing inventories		
Work-in-progress	2,049.23	2,085.27
Finished goods	5,281.86	3,796.30
Stock in trade	2,407.29	3,858.79
	9,738.38	9,740.36
Effect of foreign exchange fluctuations	(30.03)	0.69
	(3,655.94)	(1,879.15)
Less : Relates to transferred business shown under discontinued operations (refer note 37)	-	(55.89)
	(3,655.94)	(1,823.26)

31. Employees benefits expense

See accounting policy in note 3(i) (₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Salaries, wages and bonus	13,652.34	9,994.86
Contribution to provident and other funds	567.18	525.18
Expenses related to post-employment defined benefit plan	245.32	314.58
Expenses related to compensated absences	340.41	183.88
Staff welfare expenses	342.64	719.91
	15,147.89	11,738.41

Salaries, wages and bonus includes ₹2,743.80 lakhs (31 March 2018 ₹2,811.68 lakhs) relating to outsource manpower cost.

Note:

(a) **Defined contribution plan :** The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Group has no obligations other than to make the specified contributions. The contributions are charged to the Consolidated Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident fund aggregates to ₹512.02 lakhs (31 March 2018: ₹475.37 lakhs).

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

31. Employees benefits expense (contd.)

The Group contributes its Employee State Insurance (ESI) contribution with Employees' State Insurance Corporation (ESIC) maintained by Government agencies, contributions made by the Group for ESI is based on the current salaries. In the ESI scheme, contributions are also made by the employees. The annual contribution amount of ₹55.16 lakhs (31 March 2018: ₹49.81 lakhs) has been charged to the Consolidated Statement of Profit and Loss in relation to the above defined contribution scheme.

- (b) **Defined benefit plan:** Retirement benefits in the form of gratuity is 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.

(c) Actuarial valuation of gratuity liability (₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Defined benefit cost		
Current service cost	150.99	252.91
Interest expense on defined benefit obligation	94.33	134.33
Defined benefit cost in Statement of Profit and Loss	245.32	387.24
Remeasurements from financial assumptions	21.96	4.81
Remeasurements from experience adjustments	(3.11)	(188.36)
Remeasurements of financial assumptions on plan assets	(8.75)	-
Defined benefit cost in Other Comprehensive Income (OCI)	10.10	(183.55)
Total defined benefit cost in Statement of Profit and Loss and OCI	255.42	203.69
Movement in defined benefit obligation		
Balance at the beginning of the year	1,913.17	1,825.45
Interest cost	94.33	134.33
Current service cost	150.99	252.91
Actuarial gains/ (losses) recognised in other comprehensive income	18.85	(183.55)
Benefits paid	(170.80)	(115.97)
Balance transferred pursuant to scheme of arrangement (refer note 36)	(602.65)	-
Balance at the end of the year	1,403.89	1,913.17
Movement in fair value of plan assets		
Balance at the beginning of the year	-	-
Employer contributions	1,461.15	-
Employer direct benefit payments	-	-
Benefit paid from employer	(170.80)	-
Remeasurements of financial assumptions on plan assets	8.75	-
Balance at the end of the year	1,299.10	-
Net asset/(liability) recognised in the Consolidated Balance Sheet		
Present value of defined benefit obligation	(1,403.89)	(1,913.17)
Fair value of plan asset	1,299.10	-
Net asset/(liability)	(104.79)	(1,913.17)
Sensitivity analysis		
Salary escalation - Increase by 1%	1,521.34	2,071.86
Salary escalation - Decrease by 1%	1,300.06	1,773.68
Withdrawal rates - Increase by 1%	1,413.45	1,925.42
Withdrawal rates - Decrease by 1%	1,392.82	1,898.80
Discount rates - Increase by 1%	1,305.49	1,780.27
Discount rates - Decrease by 1%	1,516.50	2,066.16
Actuarial assumptions		
Mortality table	IALM 2006-2008	IALM 2006-2008
Discount rate (per annum)	7.70%	7.60%
Rate of escalation in salary (per annum)	6.00%	6.00%
Withdrawal rate	1% - 8%	1% - 8%

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

31. Employees benefits expense (contd.)

(₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Expected benefit payments		
Not later than 1 year	220.62	77.09
Later than 1 year and not later than 5 years	723.09	401.25
More than 5 years	522.24	346.37
Weighted average duration of defined benefit obligation (in years)	4.80	5.06

- (d) The group's expected contribution during next year is ₹Nil (31 March, 2018 ₹Nil)

32. Finance costs

See accounting policy in note 3(p)

(₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Interest expense on financial liabilities measured at amortised cost	1,815.54	622.73
Other borrowing cost	71.79	149.72
Less: Finance cost capitalised (refer note 5)	(23.85)	-
	1,863.48	772.45

33. Depreciation and amortisation expense

See accounting policy in note 3(d)(iii) and (e)(iii)

(₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Depreciation of property, plant and equipment	2,208.27	4,894.59
Amortisation of intangible assets	34.84	86.52
	2,243.11	4,981.11
Less: Relates to transferred business disclosed under discontinued operations (refer note 37)	-	3,185.37
	2,243.11	1,795.74

34. Other expenses

(₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Consumption of stores and spares	1,419.81	890.20
Power and fuel	2,296.72	1,753.97
Rent (refer note 40)	978.08	634.84
Repairs to:		
- Buildings	137.76	141.40
- Plant and equipment	511.37	554.78
- Others	480.85	271.93
Insurance	246.25	198.23
Rates and taxes	140.67	264.60
Travelling expenses	1,081.77	1,062.05
Freight and delivery expenses	6,845.21	4,698.64
Export expenses	2,410.99	209.87
Advertisement and sales promotion	5,888.62	2,447.27
Commission paid to independent directors	27.50	-
Directors sitting fees	16.50	27.59
Payment to auditors	64.00	50.37
Donation	17.48	18.35
Expenditure on corporate social responsibility	380.60	336.97
Loss on sale/discard of property, plant and equipment	201.71	496.51
Amortisation of leasehold land prepayments	29.88	7.31
Loss on fair valuation of investments at fair value through profit and loss	0.10	0.32

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

34. Other expenses (contd.)

(₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Loss allowance and bad debts		
- Bad debts	205.32	29.59
- Loss allowance	(108.95)	165.44
Foreign exchange fluctuations (net)		9.62
Miscellaneous expenses	2,629.03	2,146.94
	26,361.93	16,416.79

35. Income tax and deferred tax net (assets) / liability

See accounting policy in note 3(o)

(₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
(a) Amount recognised in Profit and Loss		
Current tax	2,292.90	1,029.72
Earlier years tax	-	(41.04)
Income tax	2,292.90	988.68
Deferred tax	707.09	(977.59)
Mat credit utilised	151.83	1,362.08
Deferred tax	858.92	384.49
Tax expense of continuing operation in Statement of Profit and Loss	3,151.82	1,373.17
Tax expense of discontinued operation in Statement of Profit and Loss	-	3,977.46
Tax expense recognised in Statement of Profit and Loss	3,151.82	5,350.63
Deferred tax in other comprehensive income	(3.53)	64.14
Tax expense in Total Comprehensive Income	3,148.29	5,414.77
(b) Reconciliation of effective tax rate for the year		
Profit before tax from continuing operation	11,118.98	3,450.69
Profit before tax from discontinued operation	-	12,962.65
Applicable Income Tax rate	34.944%	34.608%
Computed tax expense	3,885.42	5,680.33
Tax impact relating to:		
Deferred tax asset not recognised on business losses of subsidiaries	-	604.42
Exempt income of subsidiaries	(469.50)	-
Share of (profit)/loss of joint venture	(172.75)	263.11
Additional deduction as per income tax	59.75	(1,356.49)
Non-deductible expenses for tax purposes	(148.58)	136.64
Other differences (net)	(2.52)	22.62
Income tax expense in Statement of Profit and Loss	3,151.82	5,350.63
Tax expense of continuing operation in Statement of Profit and Loss	3,151.82	1,373.17
Tax expense of discontinued operation in Statement of Profit and Loss	-	3,977.46
	3,151.82	5,350.63

(c) Movement in deferred tax liabilities and assets balances:

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Deferred tax liabilities	312.41	4,696.72
Less: Deferred tax assets	(723.36)	(2,051.53)
Net deferred tax (assets)/liabilities	(410.95)	2,645.19

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

35. Income tax and deferred tax net (assets) / liability (contd.)

(d) Movement in deferred tax asset / liability

(₹ in Lakhs)

Movement in deferred Tax Asset / liability	1 April 2018	Balance transferred pursuant to scheme of arrangement	Movement through Statement of Profit and Loss	Movement through Other Comprehensive income	Adjustment with income tax for earlier years	31 March 2019
Deferred tax liabilities						
Property, plant and equipment and intangible assets	4,696.72	(4,440.56)	56.25	-	-	312.41
Deferred tax assets						
Provisions for employee benefits	(1,208.16)	438.31	576.07	(3.53)	-	(197.31)
Expenses allowed for tax purposes when paid	(220.90)	-	-	-	-	(220.90)
Loss allowance on Trade receivables	(392.26)	90.64	76.61	-	-	(225.01)
Other temporary differences	(78.38)	0.08	(1.84)	-	-	(80.14)
Minimum Alternate Tax (MAT) credit	(151.83)	-	151.83	-	-	-
	2,645.19	(3,911.53)	858.92	(3.53)	-	(410.95)

(₹ in Lakhs)

Movement in deferred Tax Asset / liability	1 April 2017	Movement through Statement of Profit and Loss	Movement through Other Comprehensive income	Adjustment with income tax for earlier years	31 March 2018
Deferred tax liabilities					
Property, plant and equipment and intangible assets	4,532.58	164.14	-	-	4,696.72
Deferred tax assets					
Provisions for employee benefits	(1,147.49)	(124.81)	64.14	-	(1,208.16)
Expenses allowed for tax purposes when paid	(208.30)	(12.60)	-	-	(220.90)
Loss allowance on Trade receivables	(338.90)	(53.36)	-	-	(392.26)
Other temporary differences	(27.95)	(50.43)	-	-	(78.38)
Minimum Alternate Tax (MAT) credit	(1,407.59)	1,362.08	-	(106.32)	(151.83)
	1,402.35	1,285.02	64.14	(106.32)	2,645.19

36. Composite Scheme of Arrangement

(a) Description

Pursuant to the Composite Scheme of Arrangement (the 'Scheme'), duly sanctioned by the National Company Law Tribunal (NCLT), Guwahati Bench vide Order dated 28 June 2019 ("Order"), with effect from the Appointed Date i.e., 1 April 2018, the Medium Density Fiberboards and allied products business of Chittoor unit, Andhra Pradesh and Medium Density Fiberboards, Plywood and allied products business of Pantnagar unit, Uttarakhand, branches/administrative and marketing offices of the above respective businesses of the Holding Company ('the transferred business') including investment in wholly owned subsidiary - Greenpanel Singapore Pte Ltd., Singapore (formerly known as Greenply Trading Pte. Limited), excluding investment of Greenpanel Singapore Pte. Limited in Greenply Alkema (Singapore) Pte. Limited (registered in Singapore) of USD 37,50,000 (37,50,000 ordinary shares of USD 1 each), stands transferred into the "Greenpanel Industries Limited", wholly owned subsidiary ('the resulting company' or 'Greenpanel').

The consolidated financial statements of the Company for the year ended 31 March 2019 were approved by the Board of Directors at its meeting held on 30 May 2019 without giving effect to the Scheme pending receipt of the order from the NCLT and regulatory compliances. On receipt of the order dated 28 June 2019 from NCLT sanctioning the Scheme and upon filing the same with Registrar of Companies, Assam on 1 July 2019 the Scheme has become effective. Accordingly, the consolidated financial statements approved on 30 May 2019 as aforesaid has been revised by the Group to give effect to the aforesaid NCLT Order from the Appointed date of 1 April 2018.

As per the order, the Scheme has been considered in these consolidated financial statements by transferring the carrying amount of assets and liabilities pertaining to the transferred business with effect from the Appointed Date.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

36. Composite Scheme of Arrangement (contd.)

Further, the consolidated statement of profit and loss for the year ended 31 March 2018 have been restated by the management to give effect of the Scheme. The transferred business as defined in the 'Scheme' have been disclosed as 'Discontinued Operations' in the consolidated financial statements for the year ended 31 March 2018, as per the requirements of Ind AS 105 (refer note 37)."

- (b) The whole of the assets and liabilities of the transferred business became the assets and liabilities of the resulting company and were transferred at their book value as per the Order, as appearing in the books of the Holding Company with effect from the appointed date (i.e. 1 April 2018). The details of assets and liabilities transferred to the resulting company are as under including the assets and liabilities of the wholly owned subsidiary - Greenpanel Singapore Pte. Limited transferred under the scheme:

(₹ in Lakhs)

	As at 01 April 2018
Non-current assets	
Property, plant and equipment (net of accumulated depreciation)	37,627.07
Capital work-in-progress	73,348.65
Other intangible assets (net of accumulated amortisation)	117.13
Financial assets	
Loans	1,194.27
Other non-current assets	2,319.98
	1,14,607.10
Current assets	
Inventories	10,298.48
Financial assets	
Trade receivables	5,064.97
Cash and cash equivalents	521.17
Bank balances other than cash and cash equivalents	33.65
Loans	81.44
Derivatives	125.97
Other financial assets	1,501.86
Other current assets	4,803.44
	22,430.98
Total assets of transferred business (A)	1,37,038.08
Non-current liabilities	
Financial liabilities	
Borrowings	41,712.87
Other financial liabilities	1,057.53
Provisions	786.77
Deferred tax liabilities (net)	3,911.53
Other non-current liabilities	4,991.70
	52,460.40
Current liabilities	
Financial liabilities	
Borrowings	3,220.47
Trade payables	8,715.03
Other financial liabilities	7,812.18
Other current liabilities	3,603.65
Provisions	196.69
	23,548.02
Total liabilities of transferred business (B)	76,008.42
Net amount adjusted through corresponding debit to other equity as per the Order (A-B)	61,029.66

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

36. Composite Scheme of Arrangement (contd.)

- (c) Pursuant to the Scheme, the difference between the book value of the assets and liabilities transferred to the resulting company (Greenpanel) has been debited to the following reserves of the the Company: (₹ in Lakhs)

Particulars	Amount
Securities premium	4,852.03
General reserve	29,962.24
Retained earnings	26,215.39
	61,029.66

- (d) Details of the contingent liabilities and commitments transferred to the resulting company are as under:

Particulars	Amount
Claims against the Group not acknowledged as debts:	
(i) Excise duty, sales tax and other indirect tax in dispute	983.39
Capital and other commitments	
(i) Estimated amount of export obligations to be fulfilled in respect of goods imported under advance license/ Export Promotion Capital Goods scheme (EPCG)	45,596.47
(ii) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	4,145.24

- (e) Pursuant to the Scheme, Greenpanel Industries Limited issued and allotted equity shares to the shareholders of the Company whose name appears in the register of members of the Company as on the record date (i.e. 15 July 2019), 1(one) equity share of ₹1 each in Greenpanel credited as fully paid up for every 1 (one) equity share of ₹1 each held by them in the Holding Company. Consequent to the allotment of new shares as per the Scheme, current investment of 10 lakhs equity shares of ₹1 each of the Greenpanel amounting to ₹10.00 lakhs held by the Holding Company stands cancelled. Greenpanel has ceased to be subsidiary of the Holding Company.
- (f) The transactions pertaining to the transferred business of the Holding Company from the appointed date upto the effective date of the Scheme have been deemed to be made by Greenpanel.
- (g) As per the Scheme, the immovable assets of the Holding Company stands freed from all charges, mortgages and encumbrances relating to liabilities relating to transferred business which stands transferred to Greenpanel. The Holding Company had created charges over its immovable assets (including those which now belong to Greenpanel) under section 77 of the Companies Act, 2013 in respect of certain credit facilities taken from various banks for itself and for various undertakings of Greenpanel. As the legal ownership of the immovable assets of Greenpanel have not yet been transferred to them, the Holding Company continues to enjoy credit facilities by the subsisting charges, mortgages and encumbrances over such assets. Vice-versa, Greenpanel 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 of the respective Companies in terms of the applicable provisions of the Companies Act, 2013, the banks of the Holding Company shall continue to hold their respective charge over the immovable assets of the Greenpanel.

37. Discontinued Operations

- (a) Financial information relating to the discontinued operations i.e. transferred businesses of the Group to the resulting company as defined in the Scheme for the period to the appointed date is set out below: (₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
I. Revenue from operations	-	80,972.67
II. Other income	-	80.59
III. Total income (I+II)	-	81,053.26
IV. Expenses		
Cost of materials consumed	-	31,698.68
Purchase of stock in trade	-	1,473.77
Changes in inventories of finished goods, work-in-progress and stock in trade	-	(55.89)
Excise duty	-	877.39
Employees benefits expense	-	7,930.94
Finance costs	-	363.18

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

37. Discontinued Operations (contd.)

(₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Depreciation and amortisation expense	-	3,185.37
Other expenses	-	22,617.17
Total expenses (IV)	-	68,090.61
V. Profit from discontinued operations before tax (III - IV)	-	12,962.65
VI. Tax Expense of discontinued operation	-	(3,977.46)
VII. Profit for the year from discontinued operation (V-VI)	-	8,985.19

(b) The net cash flows attributable to the discontinued operations are as follows: (₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Net cash from operating activities	-	11,516.74
Net cash used in investing activities	-	(26,197.62)
Net cash flow from financing activities	-	9,576.73
Net (decrease)/increase in cash and cash equivalents	-	(5,104.15)
Cash and cash equivalents at 1 April 2017 (refer note 12)	-	5,625.32
Cash and cash equivalents at 31 March 2018 (refer note 12)	-	521.17

(c) For segment information with respect to discontinued operations, refer note 46.

38. Earnings per share

(₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Basic and diluted earnings per share from continuing operations		
(i) Profit for the year, attributable to the equity shareholders	7,967.16	2,077.52
(ii) Weighted average number of equity shares		
- Number of equity shares at the beginning of the year	122,627,395	122,627,395
- Number of equity shares at the end of the year	122,627,395	122,627,395
Weighted average number of equity shares	122,627,395	122,627,395
Basic and diluted earnings per share (₹) [(i)/(ii)]	6.50	1.69
Basic and diluted earnings per share from discontinued operations		
(i) Profit for the year, attributable to the equity shareholders	-	8,985.19
(ii) Weighted average number of equity shares	-	-
- Number of equity shares at the beginning of the year	-	122,627,395
- Number of equity shares at the end of the year	-	122,627,395
Weighted average number of equity shares		122,627,395
Basic and diluted earnings per share (₹) [(i)/(ii)]	-	7.33
Basic and diluted earnings per share from continuing and discontinued operations		
(i) Profit for the year, attributable to the equity shareholders	7,967.16	11,062.71
(ii) Weighted average number of equity shares		
- Number of equity shares at the beginning of the year	122,627,395	122,627,395
- Number of equity shares at the end of the year	122,627,395	122,627,395
Weighted average number of equity shares	122,627,395	122,627,395
Basic and diluted earnings per share (₹) [(i)/(ii)]	6.50	9.02

39. Contingent liabilities and commitments

(to the extent not provided for)

(₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Contingent liabilities		
(a) Claims against the Company not acknowledged as debts:		
(i) Excise duty, sales tax and other indirect tax in dispute	2,314.99	3,371.66
(ii) Consumer court cases in dispute	61.81	83.12

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

39. Contingent liabilities and commitments (contd.)

b) The Supreme Court, in a judgement dated 28 February 2019, has stipulated the components of salary that need to be taken into account for computing the contribution to provident fund under the Employees Provident Fund Act, 1952. The Holding Company will account for the impact of the judgement after clarification is obtained in interpreting aspects of the judgement and after knowing the effective date of its application. The Holding Company does not expect the impact to be material.

Capital and other commitments

(₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	338.12	4,747.54
(ii) Estimated amount of export obligations to be fulfilled in respect of goods imported under Export Promotion Capital Goods scheme (EPCG)	-	45,596.47

Claim against the Group not acknowledged as debt:

Cash outflows for the above are determinable only on receipt of judgments pending at various forums/ authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

40. Operating leases

See accounting policy in note 3(m)

(a) Future minimum lease rentals payable under non cancellable operating lease

The Group has taken certain vehicles under non-cancellable operating leases. Lease rental expense under non-cancellable operating lease during the year amounted to ₹232.42 lakhs (31 March 2018: ₹195.13 lakhs). Future minimum lease payments under non-cancellable operating lease is as below:

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Not later than one year	96.44	181.77
Later than one year and not later than five years	155.14	302.00
More than five years	-	-
	251.58	483.77

(b) The Group has taken certain commercial premises and equipments under cancellable operating leases. These lease agreements are normally renewed on expiry. Lease payments recognised in Consolidated Statement of Profit and Loss with respect to operating leases ₹745.66 lakhs (31 March 2018: ₹439.71 lakhs) has been included as rent in note 34 'Other expenses'.

41. Related party disclosure

a) Related parties where control exists

Company in which a subsidiary is a Joint Venture Partner:

- Greenply Alkema (Singapore) Pte. Limited, Singapore
(Joint venture of Greenply Holdings Pte. Limited, Singapore with Alkema Singapore Pte. Limited, Singapore) (w.e.f 16 October 2018)
(Joint venture of Greenpanel Singapore Pte. Limited, Singapore with Alkema Singapore Pte. Limited, Singapore) (till 15 October 2018)
- Greenply Industries (Myanmar) Private Limited (Wholly owned subsidiary of Greenply Alkema (Singapore) Pte. Limited.)

b) Related parties with whom transactions have taken place during the year.

(i) Key Management Personnel (KMP)

- Mr. Shiv Prakash Mittal, Executive Chairman (till 18 July 2019)
- Mr. Rajesh Mittal, Chairman cum Managing Director (w.e.f 14 August 2019) (Managing Director till 13 August 2019)
- Mr. Shobhan Mittal, Joint Managing Director & CEO (till 18 July 2019)
- Mr. Sanidhya Mittal, Joint Managing Director (w.e.f 14 August 2019) (Executive Director till 13 August 2019)
- Mr. V. Venkatramani, Chief Financial Officer (till 18 July 2019)
- Mr. Kaushal Kumar Agarwal, Company Secretary & VP - Legal
- Mr. Mukesh Agarwal, Chief Financial Officer (w.e.f 14 August 2019)

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

41. Related party disclosure (contd.)

(ii) Non-executive Directors

- Mr. Susil Kumar Pal, Independent Director
- Mr. Vinod Kumar Kothari, Independent Director
- Mr. Anupam Kumar Mukerji, Independent Director
- Mr. Upendra Nath Challu, Independent Director
- Ms. Sonali Bhagwati Dalal, Independent Director

(iii) Relatives of Key Management Personnel (KMP)

- Mrs. Chitwan Mittal (Wife of Mr. Shobhan Mittal) (till 18 July 2019)
- Mrs. Surbhi Poddar (Daughter of Mr. Rajesh Mittal)

(iv) Enterprises controlled by Key Management Personnel or their relatives

- Prime Holdings Private Limited
- Trade Combines (Partnership Firm)
- RS Homcon Limited
- Mastermind Shoppers Private Limited
- Greenlam Industries Limited
- Greenpanel Singapore Pte. Limited, Singapore (Formally known as Greenply Trading Pte. Limited) (w.e.f 1 April 2018)
- Greenpanel Industries Limited, India (w.e.f 1 April 2018)

c) Related party transactions

(₹ in Lakhs)

Name of the related party	Nature of transaction	As at 31 March 2019	As at 31 March 2018
Greenply Alkema (Singapore) Pte. Limited	Purchase of products	735.33	487.34
	Commission on guarantee	21.04	19.38
Greenpanel Industries Limited	Purchase of products	4,416.03	-
Greenlam Industries Limited	Sale of products	-	207.62
	Purchase of products	-	379.36
	Rental income	-	0.60
Mr. Shiv Prakash Mittal	Remuneration	-	528.94
Mr. Rajesh Mittal	Remuneration	379.68	517.46
Mr. Shobhan Mittal	Remuneration	-	521.63
Mr. Sanidhya Mittal	Remuneration	193.06	67.82
Mr. V. Venkatramani	Remuneration	-	85.39
Mr. Kaushal Kumar Agarwal	Remuneration	52.66	42.91
Mr. Anupam Kumar Mukerji	Remuneration	16.50	16.95
Mr. Susil Kumar Pal	Remuneration	17.60	16.95
Mr. Upendra Nath Challu	Remuneration	17.10	16.20
Mr. Vinod Kumar Kothari	Remuneration	17.00	15.35
Ms. Sonali Bhagwati Dalal	Remuneration	11.80	11.60
Mrs. Chitwan Mittal	Remuneration	-	28.23
Mrs. Surbhi Poddar	Remuneration	22.76	16.34
Prime Holdings Private Limited	Rent paid	4.81	18.72
	Security deposit refund	13.20	-
RS Homcon Limited	Rent paid	10.60	7.46
	Security deposit given	1.07	-
Trade Combines	Rent paid	2.71	3.40
Mastermind Shoppers Private Limited	Rent paid	17.62	4.35
	Security deposit given	-	2.90

d) Outstanding balances

(₹ in Lakhs)

Name of the related party	Nature of transaction	As at 31 March 2019	As at 31 March 2018
Greenply Alkema (Singapore) Pte. Limited	Purchase of products	440.78	17.13
	Guarantee given	2,073.30	1,950.15
Greenlam Industries Limited	Purchase of products	-	10.77
	Sale of products	-	21.89

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

41. Related party disclosure (contd.)

(₹ in Lakhs)

Name of the related party	Nature of transaction	As at 31 March 2019	As at 31 March 2018
Greenpanel Industries Limited	Purchase of products	1,145.23	-
Mr. Shiv Prakash Mittal	Remuneration	-	283.80
Mr. Rajesh Mittal	Remuneration	146.02	283.80
Mr. Shobhan Mittal	Remuneration	-	283.80
Mr. Sanidhya Mittal	Remuneration	146.02	41.62
Prime Holdings Private Limited	Security deposit given	-	13.20
RS Homcon Limited	Security deposit given	2.57	1.50
Trade Combines	Security deposit given	2.40	2.40
Mastermind Shoppers Private Limited	Security deposit given	2.90	2.90

e) Key Management Personnel compensation

Key management personnels compensation comprised of the following:

(₹ in Lakhs)

Nature of transaction	As at 31 March 2019	As at 31 March 2018
Short-term employee benefits	595.51	1,702.10
Other long-term benefits	29.89	62.05
Total compensation paid to key management personnel	625.40	1,764.15

As the future liability for gratuity and compensated encashment is provided on an actuarial basis for the Holding Company as a whole, the amount pertaining to each key management personnel is not separately ascertainable and, therefore, not included above. Based on the recommendation of the Nomination and Remuneration Committee, all decisions relating to the remuneration of the KMPs are taken by the Board of Directors of the Holding Company, in accordance with shareholders' approval, wherever necessary.

f) Terms and conditions of transactions with related parties

Purchase and sales from/to related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions with other vendors. Outstanding balances at the year-end are unsecured and will be settled in cash and cash equivalents.

The Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken in each financial year through examining the financial position of the related parties and the market in which the related party operates.

The guarantees given to related party is made in the ordinary course of business and on terms at arm's length price. The commission on such guarantees have been recovered at arm length price as per safe harbour rules of Income Tax Act.

42. Accounting classifications and fair values (Ind AS 107)

See accounting policy in note 3(c)

The fair values of financial assets and liabilities, together with the carrying amounts shown in the Consolidated Balance Sheet are as follows:

(₹ in Lakhs)

	31 March 2019		31 March 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets at amortised cost				
Loans	319.28	319.28	1,583.78	1,583.78
Other financial assets	2,909.30	2,909.30	3,965.75	3,965.75
Trade receivables	30,504.96	30,504.96	28,560.14	28,560.14
Cash and cash equivalents	2,031.88	2,031.88	3,317.41	3,317.41
Bank balance other than cash and cash equivalents	26.03	26.03	35.36	35.36
	35,791.45	35,791.45	37,462.44	37,462.44
Financial assets at fair value through profit and loss				
Level 1				
Investments	0.49	0.49	0.59	0.59
Level 2				
Derivatives	-	-	131.21	131.21
	0.49	0.49	131.80	131.80
Total Financial Assets	35,791.94	35,791.94	37,594.24	37,594.24

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

42. Accounting classifications and fair values (Ind AS 107) (contd.) (₹ in Lakhs)

	31 March 2019		31 March 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial liabilities at amortised cost				
Borrowings (including current maturities of non current borrowing)	25,002.35	25,006.16	68,232.47	68,232.47
Other financial liabilities (excluding current maturities of non current borrowing)	3,836.99	3,836.99	17,469.22	17,469.22
Trade payables	23,195.03	23,195.03	21,896.53	21,896.53
	52,034.37	52,038.18	1,07,598.22	1,07,598.22
Financial liabilities at fair value through profit and loss				
Level 2				
Derivatives	88.54	88.54	-	-
Total financial liabilities	52,122.91	52,126.72	1,07,598.22	1,07,598.22

43. Fair value measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

The Group has established the following fair value hierarchy that categories the value into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: The hierarchy uses quoted prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (for example traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Financial assets and liabilities measured at fair value - recurring fair value measurements are as follows:

Nature of transaction	As at	
	31 March 2019	31 March 2018
Financial assets - Level 1		
Investments	0.49	0.59
Financial assets - Level 2		
Derivatives	-	131.21
Financial liabilities - Level 2		
Derivatives	88.54	-

The management assessed that trade receivables, cash and cash equivalent, other bank balances, trade payable, cash credits, borrowings and other financial assets and liabilities approximate their carrying amounts largely due to the current maturities of these instruments.

The following methods and assumptions were used to estimate the fair values:

- The fair value of the quoted investments are based on market price at the respective reporting date.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves based on report obtained from banking partners.
- The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies based on report obtained from banking partners.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

44. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Risk management framework

The Group's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group operations. The Group's principal financial assets, other than derivatives include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance.

The Group uses derivative financial instruments to mitigate foreign exchange related risk exposures. Interest rate swaps to hedge variable interest rate exposures. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

The sources of risks which the Group is exposed to and their management is given below:

Risk	Exposure Arising from	Measurement	Management
Credit risk	Trade receivables, Investments, Derivative financial instruments, Loans	Ageing analysis, Credit rating	Diversification of Credit limit and credit worthiness monitoring, credit based approval process.
Liquidity risk	Borrowings and Other liabilities	Rolling cash flow forecasts	Adequate unused credit lines and borrowing facilities.
Market risk	Committed commercial transaction, Financial asset and liabilities not denominated in INR	Cash flow forecasting	Forward foreign exchange contracts.
Foreign exchange risk		Sensitivity analysis	
Interest rate	Non current borrowings at variable rates	Sensitivity analysis	Interest rate swaps
		Interest rate movements	

(i) Credit risk

Credit risk is the risk of financial loss of the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group receivables from customers and loans. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/ investing activities, including deposits with bank, foreign exchange transactions and financial guarantees. The Group has no significant concentration of credit risk with any counterparty. The carrying amount of financial assets represent the maximum credit risk exposure.

Trade receivable

The management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

Exposure to credit risks

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. Details of concentration percentage of revenue generated from

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

44. Financial risk management (contd.)

top customer and top five customers are stated below:

(₹ in Lakhs)

Particulars	31 March 2019	31 March 2018
Revenue from top customer	3.68%	2.35%
Revenue from top five customers	7.82%	6.35%

Trade receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. As per simplified approach, the Group makes provision of expected credit loss on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix to compute the credit loss allowance for trade receivables. The said provision has been netted off under trade receivables. The movement of expected credit loss provision is as follows:

(₹ in Lakhs)

Particulars	31 March 2019	31 March 2018
Balance at the beginning	915.44	361.40
Transferred pursuant to scheme of arrangement (refer note 36)	(229.48)	-
Net measurement of loss allowance	(181.33)	554.04
Balance at the end	504.63	915.44

(ii) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Group's finance team is responsible for liquidity, as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's liquidity position through rolling forecasts on the basis of expected cash flows.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Exposure to liquidity risk

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

(₹ in Lakhs)

31 March 2019	< 1 year	1 - 5 years	> 5 years	Total
Borrowings (including current maturities)*	17,214.67	7,787.68	-	25,002.35
Trade payables	23,195.03	-	-	23,195.03
Other financial liabilities	2,872.81	964.18	-	3,836.99
Derivatives	88.54	-	-	88.54
	43,371.05	8,751.86	-	52,122.91

(₹ in Lakhs)

31 March 2018	< 1 year	1 - 5 years	> 5 years	Total
Borrowings (including current maturities)*	24,389.35	31,937.71	22,553.59	78,880.65
Trade payables	21,896.53	-	-	21,896.53
Other financial liabilities	10,888.92	3,155.55	333.54	14,378.01
	57,174.80	35,093.26	22,887.13	1,15,155.19

* including estimated interest

(iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings. The Group uses derivatives to manage market risks. All such transactions are carried out within the guidelines set by the management.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

44. Financial risk management (contd.)

(a) Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of Group companies. Foreign currency risk is the risk impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings, import of raw materials and spare parts, capital expenditure, exports of finished goods. The Group evaluates exchange rate exposure arising from foreign currency transactions. The Group follows established risk management policies and standard operating procedures. It uses derivative instruments like foreign currency forwards to hedge exposure to foreign currency risk.

Exposure to currency risk

The Group's exposure to foreign currency at the end of the reporting period are as follows:

Particulars	Currency	31 March 2019		31 March 2018	
		Amount in Foreign currency (Lakhs)	₹ in Lakhs	Amount in Foreign currency (Lakhs)	₹ in Lakhs
- Hedged exposures					
Borrowings - Buyers credit	EURO	11.96	826.26	42.45	2,759.22
	USD	-	-	-	-
			826.26		2,759.22
Trade payables	EURO	-	-	-	-
	USD	51.97	3,591.66	-	-
			3,591.66		-
- Unhedged exposures					
Borrowings	EURO	-	-	368.81	29,406.99
	USD	-	-	90.00	5,850.45
			-		35,257.44
Borrowings - Buyers credit	EURO	-	-	1.11	88.34
	USD	16.40	1,133.43	37.06	2,408.98
			1,133.43		2,497.32
Trade payables	EURO	0.51	39.53	41.52	3,310.27
	USD	19.24	1,329.44	5.67	368.80
			1,368.97		3,679.07
Cash and cash equivalents	USD	0.09	6.38	-	-
Trade receivables	USD	0.96	66.29	13.23	860.20

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD and EURO against Indian Rupee at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(₹ in Lakhs)

Particulars	Nature	Effect	As at 31 March 2019	As at 31 March 2018
USD (1% Movement)	Profit or loss	Strengthening	(59.82)	(105.27)
		Weakening	59.82	105.27
	Equity, net of tax	Strengthening	(38.92)	(68.84)
		Weakening	38.92	68.84
EUR (1% Movement)	Profit or loss	Strengthening	(9.94)	(328.06)
		Weakening	9.94	328.06
	Equity, net of tax	Strengthening	(6.47)	(214.52)
		Weakening	6.47	214.52

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

44. Financial risk management (contd.)

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group exposure to the risk of changes in market interest rates related primarily to the Group's current borrowing with floating interest rates. The Group constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Exposure to interest rate risk

The interest rate profile of the Group's interest bearing financial instruments at the end of the reporting period are as follows:

(₹ in Lakhs)		
Particulars	As at 31 March 2019	As at 31 March 2018
Fixed rate instruments		
Financial assets	-	-
Financial liabilities	(7,048.06)	(13,850.92)
	(7,048.06)	-
Effect of interest rate swaps	-	(5,850.45)
	(7,048.06)	(5,850.45)
Variable rate instruments		
Financial assets	-	-
Financial liabilities	(17,054.29)	(55,212.36)
	(17,054.29)	(55,212.36)
Effect of interest rate swaps	-	5,850.45
	(17,054.29)	(49,361.91)

Sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below:

(₹ in Lakhs)				
Particulars	Nature	Effect	As at 31 March 2019	As at 31 March 2018
Variable rate instruments	Profit or loss	Strengthening	(170.54)	(552.12)
		Weakening	170.54	552.12
	Equity, net of tax	Strengthening	(110.95)	(361.04)
		Weakening	110.95	361.04
Cash flow sensitivity (net)	Profit or loss	Strengthening	(170.54)	(552.12)
		Weakening	170.54	552.12
	Equity, net of tax	Strengthening	(110.95)	(361.04)
		Weakening	110.95	361.04

45. Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Group's objective when managing capital are to: (a) to maximise shareholders value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Group's capital management, capital includes issued equity share capital and other equity reserves attributable to the equity holders.

The Group monitors capital using debt-equity ratio, which is total debt less liquid investments divided by total equity.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

45. Capital management (contd.)

(₹ in Lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Total debt (Bank and other borrowings)	25,002.35	71,044.72
Less: Cash and cash equivalents	2,031.88	3,317.41
Adjusted net debt	22,970.47	67,727.31
Equity	33,522.39	87,750.54
Debt to Equity (net)	0.69	0.77

In addition, the Group has financial covenants relating to the banking facilities that it has taken from all the lenders like interest service coverage ratio, Debt to EBITDA, current ratio etc. which is maintained by the Group.

46. Operating segments

A. Basis of segment

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Group's Chief operating decision maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

The Group has two reportable segments, as described below, which is the Group's strategic business units. These business units are managed separately because they require different technology and marketing strategies.

The following summary describes the operations in each of the Group's reportable segments:

Reportable segment	Operations
Plywood and allied products	Manufacturing and trading
Medium density fibre board *	Manufacturing

Effective from 1 April 2018, the Group has changed its composition of operating segments. The product "PVC Board" has been realigned from segment 'others' to "plywood and allied products" as per CODM decision to review the segment accordingly. Previous year figures have been regrouped to reflect this change.

Other operations of the Group include trading of Wallpaper, Solid surface, PVC form and allied products. None of these operations meets any of the quantitative thresholds for determining reportable segments in the year ended 31 March 2019 or year ended 31 March 2018.

*Pursuant to the Scheme of Arrangement (refer note 36), the Group had discontinued its Medium density fibre board segment and plywood and allied products business of Pantnagar unit, Uttarakhand with effect from appointed date, 1 April 2018. Accordingly figures of these segments are presented under discontinued operations for the year ended 31 March 2018, refer note 37.

B. Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Group's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

(₹ in Lakhs)

Year ended 31 March 2019	Reportable segments			All other segments	Total
	Plywood and allied products	Medium Density Fibre Boards and allied products	Total Reportable segments		
Segment revenue:					
- External revenues					
a) Sales	1,39,715.92	-	1,39,715.92	697.02	1,40,412.94
b) Other operating income	803.23	-	803.23	-	803.23
- Inter-segment revenue	-	-	-	-	-
Total segment revenue	1,40,519.15	-	1,40,519.15	697.02	1,41,216.17

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

46. Operating segments (contd.) (₹ in Lakhs)

Year ended 31 March 2019	Reportable segments			All other segments	Total
	Plywood and allied products	Medium Density Fibre Boards and allied products	Total Reportable segments		
Segment profit/(loss) before income tax	13,839.20	-	13,839.20	(634.91)	13,204.29
Segment profit/(loss) before income tax includes:					
Interest revenue	-	-	-	-	-
Interest expense	-	-	-	-	-
Depreciation and amortisation	1,890.85	-	1,890.85	-	1,890.85
Tax expense	-	-	-	-	-
Other material non cash item (if any)	-	-	-	-	-
Segment assets	81,644.11	-	81,644.11	727.67	82,371.78
Segment assets include:					
Capital expenditure during the year	12,754.87	-	12,754.87	-	12,754.87
Segment liabilities	51,324.59	-	51,324.59	285.05	51,609.64

Year ended 31 March 2018	Reportable segments			All other segments	Total
	Plywood and allied products*	Medium Density Fibre Boards and allied products*	Total Reportable segments		
Segment revenue:					
- External revenues					
a) Sales	1,21,144.86	48,345.82	1,69,490.68	1,305.08	1,70,795.76
b) Other operating income	1,283.03	1,618.77	2,901.80	-	2,901.80
- Inter-segment revenue	-	-	-	-	-
Total segment revenue	1,22,427.89	49,964.59	1,72,392.48	1,305.08	1,73,697.56
Segment profit/(loss) before income tax	11,020.23	11,536.31	22,556.54	(403.44)	22,153.10
Segment profit/(loss) before income tax includes:					
Interest revenue	-	-	-	-	-
Interest expense	-	-	-	-	-
Depreciation and amortisation	2,337.76	2,170.12	4,507.88	4.09	4,511.97
Tax expense	-	-	-	-	-
Other material non cash item (if any)	-	-	-	-	-
Segment assets	87,350.89	1,15,628.19	2,02,979.08	1,735.75	2,04,714.83
Segment assets include:					
Capital expenditure during the year	12,621.08	53,886.83	66,507.91	-	66,507.91
Segment liabilities	53,864.96	62,572.10	1,16,437.06	405.02	1,16,842.08

*refer note 37

Property, plant and equipment are allocated based on location of the assets.

C. Reconciliations of information on reportable segments to Ind AS measures (₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
i. Revenues		
Total revenue for reportable segments	1,40,519.15	1,72,392.48
Revenue for other segments	697.02	1,305.08
Elimination of inter-segment revenue	-	-
Elimination of revenue of discontinued operations	-	80,972.67
Consolidated revenue	1,41,216.17	92,724.89

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

46. Operating segments (contd.) (₹ in Lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
ii. Profit before tax		
Total profit before tax for reportable segments	13,839.20	22,556.54
Profit before tax for other segments	(634.91)	(403.44)
Elimination of inter-segment profits	-	-
Elimination of profit of discontinued operations	-	12,962.65
Unallocated amounts:		
Corporate expenses	(2,085.31)	(5,739.76)
Consolidated profit before tax from continuing operation	11,118.98	3,450.69
iii. Assets		
Total assets for reportable segments	81,644.11	2,02,979.08
Assets for other segments	727.67	1,735.75
Unallocated amounts	6,331.57	6,399.01
Consolidated total assets	88,703.35	2,11,113.84
iv. Liabilities		
Total liabilities for reportable segments	51,324.59	1,16,437.06
Liabilities for other segments	285.05	405.02
Unallocated amounts	3,571.32	6,521.22
Consolidated total liabilities	55,180.96	1,23,363.30

v. Other material items (₹ in Lakhs)

Particulars	Year ended 31 March 2019			Year ended 31 March 2018		
	Reportable segment total	Adjustments	Consolidated totals	Reportable segment total	Adjustments	Consolidated totals
Interest expense	-	1,863.48	1,863.48	-	1,135.63	1,135.63
Capital expenditure during the year	12,754.87	-	12,754.87	66,507.91	721.60	67,229.51
Depreciation and amortisation expense	1,890.85	352.26	2,243.11	4,507.88	473.23	4,981.11

D. Geographical information (₹ in Lakhs)

Particulars	Within India		Outside India		Total	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
External revenue by location of customers	1,28,340.16	1,67,121.31	12,876.01	6,576.25	1,41,216.17	1,73,697.56
Carrying amount of segment assets by location of assets	77,204.97	2,05,226.97	11,498.38	5,886.87	88,703.35	2,11,113.84

E. Major customer

The Group does not receive 10% or more of its revenues from transactions with any single external customer.

47. Taxation

The Group has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulations under Sections 92-92F of the Income-Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Holding Company continuously updates its documents for the international transactions entered into with the associated enterprises during the financial year. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense for the year and that of provision for taxation.

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

48. Due to Micro and small enterprises

(₹ in Lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
(a) The amounts remaining unpaid to Micro and Small suppliers as at the end of each accounting year		
- Principal	83.15	12.31
- Interest	-	-
(b) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

49. Government grant (Ind AS 20): Other operating revenue includes incentives against scheme of budgetary support under Goods and Services Tax Regime for the units set-up in Tizit, Nagaland of ₹549.69 lakhs (31 March 2018 ₹444.49) and incentive against refund of excise duty for the unit set-up in Tizit, Nagaland till 31 March 2019 of ₹253.54 lakhs (31 March 2018 ₹753.93 lakhs).

50. Distribution made and proposed dividend (Ind AS 1)

(₹ in Lakhs)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Cash dividend on equity shares declared and paid		
Final dividend for the year ended on 31 March 2018:	735.76	735.76
₹0.60 per share (31 March 2017: ₹0.60 per share)		
Dividend distribution tax on final dividend	151.24	149.78
Total dividend paid	887.00	885.54
Proposed dividend on equity shares		
Final dividend for the year ended on 31 March 2019:	490.51	735.76
₹0.40 per share (31 March 2018: ₹0.60 per share)		
Dividend distribution tax on final dividend	100.85	151.24
Total dividend proposed	591.36	887.00

Proposed dividends on equity shares are subject to approval at the ensuing annual general meeting and are not recognised as a liability (including dividend distribution tax thereon) as at 31 March 2019.

51. Non-controlling interests

Additional information pursuant to paragraph 2 of Division II of schedule III to the Companies Act 2013.

	Net assets (Total assets minus total liabilities)		Share in profit or loss	
	As % of consolidated net assets	₹ In lakhs	As % of consolidated profit or loss	₹ In lakhs
Holding company				
Greenply Industries Limited	98.85%	33,134.42	76.93%	6,129.22
Subsidiaries:				
Foreign				
Greenply Holdings Pte. Limited	0.03%	11.61	-0.16%	(12.87)
Greenply Middle East Limited ^	1.65%	554.39	17.03%	1,356.45

Notes to the Consolidated Financial Statements for the year ended 31 March 2019

51. Non-controlling interests (contd.)

	Net assets (Total assets minus total liabilities)		Share in profit or loss	
	As % of consolidated net assets	₹ In lakhs	As % of consolidated profit or loss	₹ In lakhs
Joint Venture:				
Foreign				
Greenply Alkema (Singapore) Pte. Ltd.	-0.53%	(178.03)	6.20%	494.36
Non-controlling interests in all subsidiaries	0.00%	-	0.00%	-
At 31 March 2019	100.00%	33,522.39	100.00%	7,967.16

	Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated other comprehensive income	₹ In lakhs	As % of consolidated total comprehensive income	₹ In lakhs
Holding company				
Greenply Industries Limited	347.22%	382.26	80.62%	6,511.48
Subsidiaries:				
Foreign				
Greenply Holdings Pte. Limited	-105.13%	(115.74)	-1.60%	(128.61)
Greenply Middle East Limited ^	-142.09%	(156.43)	14.87%	1,200.02
Joint Venture:				
Foreign				
Greenply Alkema (Singapore) Pte. Ltd.	0.00%	-	6.11%	494.36
Non-controlling interests in all subsidiaries	0.00%	-	0.00%	-
At 31 March 2019	100.00%	110.09	100.00%	8,077.25

^Includes a wholly owned step down subsidiary company – Greenply Gabon SA

52. Previous year's figures have been regrouped/reclassified wherever necessary to conform to current year's classification/disclosure.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration number: 101248W/W-100022

For and on behalf of Board of Directors of
Greenply Industries Limited
CIN: L20211AS1990PLC003484

Jayanta Mukhopadhyay
Partner
Membership No: 055757

Rajesh Mittal
Chairman cum Managing director
DIN : 00240900

Sanidhya Mittal
Joint Managing Director
DIN : 06579890

Mukesh Agarwal
Chief Financial Officer

Kaushal Kumar Agarwal
Company Secretary & VP-Legal

Place : Kolkata
Dated : 14 August 2019

Place : Kolkata
Dated : 14 August 2019

Board of Directors

Mr. Rajesh Mittal,
Chairman cum Managing Director

Mr. Susil Kumar Pal
Mr. Vinod Kumar Kothari
Mr. Anupam Kumar Mukerji
Ms. Sonali Bhagwati Dalal
Mr. Upendra Nath Challu

Mr. Susil Kumar Pal, *Chairman*
Mr. Vinod Kumar Kothari
Mr. Upendra Nath Challu
Mr. Anupam Kumar Mukerji
Mr. Rajesh Mittal
Mr. Sanidhya Mittal

Mr. Susil Kumar Pal, *Chairman*
Mr. Rajesh Mittal
Mr. Sanidhya Mittal

Mr. Susil Kumar Pal, *Chairman*
Mr. Upendra Nath Challu
Mr. Vinod Kumar Kothari
Mr. Rajesh Mittal

Mr. Vinod Kumar Kothari
Mr. Upendra Nath Challu
Mr. Rajesh Mittal
Mr. Sanidhya Mittal

Mr. Rajesh Mittal
Mr. Sanidhya Mittal
Mr. Susil Kumar Pal
Mr. Vinod Kumar Kothari

Mr. Mukesh Agarwal (w.e.f. 14.08.2019)

- Plywood and allied Products
- Tizit, Nagaland
- Kriparampur, West Bengal
- Bamanbore, Gujarat

