



## ARCHIDPLY INDUSTRIES LTD.

Corp. Office : 2/9, 1st Floor, W.H.S. Kirti Nagar, New Delhi-110015 (India)  
Ph : 011 - 45642555, 45530828, 42685112 Email : corporate@archidply.com

10.09.2022

**The General Manager  
Department of Corporate Services  
BSE Limited  
Floor 25<sup>th</sup>, P J Towers,  
Dalal Street  
Mumbai – 400 001**

**Scrip Code – 532994**

**The Listing Department  
National Stock Exchange of India Ltd.  
Exchange Plaza,  
Plot no. C/1, G Block,  
Bandra – Kurla Complex  
Bandra (E)  
Mumbai – 400 051**

**NSE Stock Code – Archidply**

Dear Sir,

**Subject: Submission of Annual Report of the Company for the financial year 2020-21.**

Pursuant to Regulation 34 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the Notice of 27th Annual General Meeting along with Annual Report of the Company for financial year 2021-22.

The Annual Report for the financial year 2021-22 is also being made available on the website of the Company at [www.archidply.com](http://www.archidply.com)

We request to kindly take the same on record.

Thanking You!  
For **Archidply Industries Limited**

**Atul Krishna Pandey  
Company Secretary & Compliance Officer**

Encl: as above

**Note:** This corporate announcement is being resubmitted after affixing DSC as per BSE & NSE Circular to Listed Companies.



# ANNUAL REPORT

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2021  
2022

## CORPORATION INFORMATION

**Board of Directors:**

**Deen Dayal Daga**  
Chairman

**Rajiv Daga**  
Managing Director & CEO

**Shyam Daga**  
Executive Director

**Mohammed Shahib Aftab**  
Independent Director

**Pritam Singh**  
Independent Director

**Shanthi Varadaraj Mallar**  
Independent Director

**Anil Sureka**  
Chief Financial Officer

**Atul Krishna Pandey**  
Company Secretary & Compliance Officer

**Registered Office:**

Plot No. 7, Sector 9, IIE, SIDCUL,  
Pant Nagar, Rudrapur,  
Udham Singh Nagar, Uttarakhand – 263153  
Ph. No. 05944-250270, 250269  
Email: [cs@archidply.com](mailto:cs@archidply.com)  
Website: [www.archidply.com](http://www.archidply.com)  
CIN: L8511UR1995PLC008627

**Corporate Office:**

2/9, 1st Floor, W.H.S. Kirti Nagar  
New Delhi - 110015  
Ph. No. 011-45642555, 45530828

**Auditors:**

**M/s. Priti Jhavar & Co.**  
Chartered Accountants  
Ganapathi Plaza, #58,  
59th A Cross Road, 4th N Block,  
Rajaji Nagar, Bengaluru 560010  
Ph. No. 080-23120689

**Plan Location:**

Rudrapur Unit: Plot No. 7, Sector 9, IIE, SIDCUL,  
Pant Nagar, Rudrapur, Udham Singh Nagar,  
Uttarakhand – 263153

**Registrar Share Transfer Agent:****KFIN Technologies Limited**

Selenium Tower B, Plot Nos. 31 & 32 | Financial District,  
Nanakramguda, Serilingampally Mandal,  
Hyderabad - 500 032  
Phone: +91 40 6716 1585 (Direct)  
Mail id: [kishore.bv@kfintech.com](mailto:kishore.bv@kfintech.com)  
Website: [www.kfintech.com](http://www.kfintech.com)

**Bankers:****State Bank of India**

SME South Extension Branch,  
N-3, Ring Road, South Extension  
New Delhi – 110049

**HDFC Bank**

2nd Floor, B-6/3 DDA Commercial Complex  
Safdarjung Enclave,  
New Delhi – 110 029

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NOTICE IS HEREBY GIVEN THAT THE TWENTY SEVENTH ANNUAL GENERAL MEETING (AGM) OF ARCHIDPLY INDUSTRIES LIMITED WILL BE HELD ON FRIDAY, 30TH SEPTEMBER, 2022 AT 11.30 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT PLOT NO. 7, SECTOR - 9, INTEGRATED INDUSTRIAL ESTATES, SIDCUL, PANT NAGAR, DIST. UDAM SINGH NAGAR, RUDRAPUR, UTTARAKHAND, 263153 TO TRANSACT THE FOLLOWING BUSINESS:

#### ORDINARY BUSINESS

- To consider and adopt (a) the audited standalone financial statements of the company for the financial year ended March 31, 2022, together with the reports of the board of directors and auditors thereon; and (b) the audited consolidated financial statements of the company for the financial year ended March 31, 2022, together with the report of the auditors thereon and in this regard, to consider and if thought fit, to pass the following resolutions as **Ordinary Resolutions**:

(a) **“RESOLVED THAT** the audited standalone financial statements of the company for the financial year ended March 31, 2022 and the reports of the board of directors and auditors thereon as circulated to the shareholders, be and are hereby considered and adopted.”

(b) **“RESOLVED THAT** the audited consolidated financial statements of the company for the financial year ended March 31, 2022 and the report of auditors thereon as circulated to the shareholders, be and are hereby considered and adopted.”

- To appoint a Director in place of Mr. Deen Dayal Daga (DIN: 00497806) who retires by rotation as per Section 152(6) of Companies Act 2013 and being eligible offers himself for re appointment and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** in accordance with the provisions of section 152 and other applicable provisions of the Companies Act, 2013, Mr. Deen Daya Daga (DIN: 00497806), who retires by rotation at this meeting and being eligible, has offered himself for reappointment, be and is hereby appointed as a director of the company, liable to retire by rotation.”

- To appoint M/s GRV & PK Chartered Accountants (Firm Regn. No. 008099S) as the Statutory Auditors of the Company in the place of M/s Priti Jhawar & Co., Chartered Accountants (Firm’s Registration No. 328818E) and to fix their remuneration, to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s GRV & PK Chartered Accountants (Firm Regn. No. 008099S), be and are hereby appointed as the Statutory Auditors of the Company in the place of M/s Priti Jhawar & Co., Chartered Accountants (Firm’s Registration No. 328818E), the retiring Statutory Auditors, to hold the office from the conclusion of the 27th Annual General Meeting until the conclusion of the 32nd Annual General Meeting of the Company to be held in the year 2027 at such remuneration plus applicable taxes and reimbursement of out-of-pocket expenses in connection with the Audit as may be mutually agreed upon between the Board of Directors of the Company and the Auditors.

#### SPECIAL BUSINESS:

- Change in designation of Mr. Shyam Daga (DIN: 0056180) from Executive Director to Non-Executive Director, effective from 1st October, 2022:

To consider and, if thought fit, to pass, with or without modification, the following resolution as an **ORDINARY RESOLUTION**:

**“RESOLVED THAT** pursuant to the provisions of section 152, of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and rules & regulations made thereunder, approval of the Members of the Company be and is hereby accorded to the change in designation of Mr. Shyam Daga from Executive Director to Non-Executive Director of the Company being liable to retire by rotation of Directors with effect from 1st October, 2022.

**“RESOLVED FURTHER THAT** any one of the Directors of the Company be and are hereby jointly and/or severally authorised to file the necessary e-forms with Registrar of Companies and to do all such acts and deeds as may be required to give effect to the above resolution.”

**Place: Bangalore**

**Date: 09.08.2022**

**Registered Office:**

Plot No 7, Sector-9,  
Integrated Industrial Estate,  
SIDCUL, Pant Nagar, Rudrapur,  
Udham Singh Nagar, Uttarakhand -263153.  
CIN: L85110UR1995PLC008627

**By Order of the Board of Directors  
For ARCHIDPLY INDUSTRIES LIMITED**

**Atul Krishna Pandey**

**Company Secretary**

**M. No. A47815**



**NOTES:**

1. The Explanatory Statement pursuant to Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with respect to the Ordinary Business as set out in Item No. 3 and pursuant to Section 102 of the Companies Act, 2013, with respect to the Special Businesses as set out in Item No. 4 is annexed hereto. Additional Information, pursuant to Para 1.2.5 of SS-2 (“Secretarial Standard on General Meetings”) and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of re-appointment of Mr. Deen Dayal Daga at the 27th Annual General Meeting is also annexed hereto.
2. A Member entitled to attend and vote at the Annual General Meeting (“the Meeting/ AGM”) is entitled to appoint a proxy to attend and vote on a poll instead of him/her and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, should be deposited, duly completed and signed, at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting. A proxy form is attached herewith.  
  
A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. The proxy holder shall prove his/her identity at the time of attending the Meeting.
4. When a Member appoints a proxy and both the Member and proxy attend the Meeting, the proxy stands automatically revoked.
5. Requisition for inspection of proxies shall be received by the Company in writing from a Member entitled to vote on any resolution at least three days before the commencement of the Meeting.
6. Corporate Members intending to attend the Meeting are required to send to the Company a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Meeting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [rajneeshcs@rediffmail.com](mailto:rajneeshcs@rediffmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. The Register of Member and Share Transfer Books of the Company will remain closed from 24<sup>th</sup> of September, 2022 to 30<sup>th</sup> of September, 2022 (both days inclusive) in connection with the Annual General Meeting.
9. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.
10. Since, the securities of the Company are traded compulsorily in dematerialized form as per SEBI mandate, Members holding shares in physical form are requested to get their shares dematerialized at the earliest.
11. Electronic copy of the Annual Report 2021-22, Notice of the aforesaid AGM of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the Members whose email IDs are registered with the Company’s Registrar & Share Transfer Agent/Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. The physical copies of the Notice of the aforesaid AGM of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent to the registered address of the Members of the Company who have not registered their e-mail address in the permitted mode.
12. In keeping with the Ministry of Corporate Affairs’ Green Initiative measures, the Company hereby requests the Members who have not registered their email addresses so far, to register their email addresses for receiving all communication including annual report, notices, circulars etc. from the Company electronically.
13. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules issued thereunder are open for inspection by the Members at the registered office of the Company on all working days, except Saturdays, between 11:00 a.m. to 1:00 p.m. and also at the AGM. Also, the Notice for this 27th AGM along with requisite documents and the Annual Report for the financial year 2021-22 shall also be available on the Company’s website [www.archidply.com](http://www.archidply.com). Further, the notice received, if any, under Section 160 of the Companies Act, 2013 will be put up on the website of the Company up to the date of the Meeting.

14. In accordance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has engaged the services of CDSL to provide the facility of voting by electronic voting system to all the Members to enable them to cast their votes electronically in respect of all the businesses to be transacted at the aforesaid Meeting. The facility of casting the votes by the Members using such electronic voting system from a place other than venue of the AGM (“remote e-voting”) is being provided by CDSL.
15. The facility for voting through Poll/Ballot Paper shall be made available at the AGM and the Members attending the Meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the Meeting through Poll/Ballot Paper. The facility for voting by electronic voting system shall not be made available at the AGM of the Company.
16. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 19th September 2022 through email on [cs@archidply.com](mailto:cs@archidply.com). The same will be replied by the Company suitably. Documents referred to in this Notice will be made available for inspection as per applicable statutory requirements.
17. The Company has designated a separate e-mail ID of the grievance redressal division/Compliance officer i.e. '[cs@archidply.com](mailto:cs@archidply.com)', exclusively for the purpose of registering complaints by investors.
18. In accordance with, the General Circular No. 20/2020 dated 5th May, 2020 and General Circular No. 2/2021 dated 13th January, 2021 issued by MCA, and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor’s report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s). Members may note that the Notice and Annual Report will also be available on the Company’s website [www.archidply.com](http://www.archidply.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com).
19. The e-voting facility will be available during the following voting period:
- Commencement of remote e-voting: From 10.00 a.m. IST of September 27, 2022.
  - End of remote e-voting: Up to 5.00 p.m. IST of September 29, 2022.
20. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. September 23, 2022, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter and the facility will be blocked forthwith.
21. Additional information on directors recommended for appointment / re-appointment as required under Regulation 36 of the LODR Regulations and applicable Secretarial Standards:

Name of Director	Deen Dayal Daga	Shyam Daga
Director Identification Number	00497806	00561803
Date of Birth	10.04.1942	13.02.1975
Date of First Appointment	24.12.2004	18.01.2007
Qualification	Bachelor of Law (LLB)	Commerce Graduate from St. Xavier’s College, Calcutta University
Expertise in specified functional area	Industrialist having 48 years of expertise in establishing and successfully running the wood panel & tea industry.	Having 23 years of experience in managing the overall administration, operations Finance & Accounts in the wood panel industry
Shareholding in Archidply Industries Limited	771620	573685

<b>List of outside Directorship held excluding Alternate Directorship and Private Companies.</b>	The Mysore Chipboards Limited Assam Timber Products Private Limited Ravi Marketing & Services Private Limited Vanraj Suppliers Private Limited. Archidpanel Industries Private Limited	The Mysore Chipboards Limited Shree Shyam Tea Pvt Ltd Archidply Decor Limited ADL Panels Private Limited ADL Particle Boards & MDF Private Limited
<b>Chairman/ Member of the Committee of the Board of Directors of the Company</b>	Refer to Report on CORPORATE GOVERNANCE	
<b>Last drawn remuneration details along with Remuneration sought to be paid</b>	Last drawn remuneration details are given in MGT-9 annexed with Directors Report. Remuneration details for proposed appointment are given in explanatory statement to the respective resolution	
<b>Relationship with other Directors and KMP</b>	Except for receiving Remuneration as an Executive Chairman Mr. Deen Dayal Daga or any of his relative do not have any pecuniary relationship with the company.  Mr. Deen Dayal Daga is father of Mr. Shyam Daga, Executive Director and Mr. Rajiv Daga, Managing Director of the Company.	Except for receiving Remuneration as an Executive Director Mr. Shyam Daga or any of his relative do not have any pecuniary relationship with the company.  Mr. Shyam Daga is son of Mr. Deen Dayal Daga, Executive Chairman and brother of Mr. Rajiv Daga, Managing Director of the Company.

22. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for a long time. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
23. The route map showing directions to reach the venue of the Meeting is annexed.
24. Members can send their requests, if any, to [cs@archidply.com](mailto:cs@archidply.com) and [kishore.bv@kfintech.com](mailto:kishore.bv@kfintech.com)
25. Voting Options

### **REMOTE E-VOTING THROUGH ELECTRONIC MEANS**

#### **THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING:**

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on 27th September 2022, 10 a.m. and ends on 29th September 2022, 5:00 p.m.. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <23rd September 2022> may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat**



**accounts/ websites of Depositories/ Depository Participants.** Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

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

- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cs@archidply.com](mailto:cs@archidply.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at toll free no. 1800 22 55 33

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**
**Item No. 3**

In terms of Section 139 of the Companies Act, 2013 ("the Act") and the Companies (Audit and Auditors) Rules, 2014, made thereunder, the term of the present Statutory Auditors of the Company, M/s. Priti Jhawar & Co., Chartered Accountants (Firm's Registration No. 328818E) will be concluded at the end of 27th Annual General Meeting (AGM). The Company is required to appoint another Auditor for a period of five years to hold office from the conclusion of 27th AGM till the conclusion of 32nd AGM.

The Board of Directors of the Company at its meeting held on May 20, 2022, after considering the recommendations of the Audit Committee, has recommended the appointment of M/s. GRV & PK Chartered Accountants (Firm Regn. No. 008099S) as Statutory Auditors of the Company for a term of five years from conclusion of 27th AGM, for the approval of the Members.

GRV&PK was established 23 years back in March 1998, by a group of Four young dedicated Chartered Accountants Mr. Ganpatlal Kawad H., Mr. Virchand Nahar G., Mr. Pankaj Rathore & Mr. Kamal Kishore Karnani.

The Brief profile of the partners of GRV&PK are as under:-

Mr. Ganpatlal Kawad H., B.com, LLB, FCA, ACS, DISA, He possess 26 years of Experience in the spheres of Accounting, Auditing, Taxation - Income Tax. He was Chairman of Bangalore Branch of The Institute of Chartered Accountants of India in the year 2006-07 and in managing committee from 2001-2007. Presently he is elected to the managing committee of FKCCI from professional sector and is co-chairman of Central Taxes, Corporate Laws, Economic Affairs and ADR Committee of FKCCI.

Mr. Virchand Nahar G., B.com, FCA, He possesses 25 years of Experience in the spheres of Indirect Taxation – GST , Value Added Tax, Accounting, Auditing, Bank Auditing. He is also member of various social and cultural organisations like Rotary Club of Bangalore Peenya, Healthy Hearts Club. He was President of Rotary club of Bangalore Peenya.

Mr. Pankaj Rathore, B.com, FCA, He possess 25 years of experience in the spheres of GST, Central Excise, Service Tax, Preparation of Management Information System, and Investigation Audits.

He is also member of various social and cultural organisations and held various post in managing committee of Bangalore Garden City Jaycees, Bangalore.

Mr. Kamal Kishore Karnani, B.com (Hons), FCA, He possess 25 years of Experience in the spheres of Company Law Matters, Internal Audit, C&AG audit Project.

Pursuant to Section 139 of the Companies Act, 2013, approval of the members is required for appointment of the Statutory Auditors and fixing their remuneration by means of an ordinary resolution. Accordingly, approval of the members is sought for appointment of M/s. GRV&PK, Chartered Accountants as the Statutory Auditors of the Company for the aforesaid term at a remuneration of 4 lacs towards the statutory audit for the financial year 2022-23 to 2026-27 may be revised based on the recommendations made by the Audit Committee and approved by the Board of Directors and such other authority as may be required. The remuneration payable to the statutory auditors shall be exclusive of applicable taxes and all out of pocket expenses as may be incurred by the statutory auditor in course of their audit.

Pursuant to requirement of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of proposed fees of 4 lacs payable to the statutory auditors for the financial year 2022-23 is mentioned below:

Statutory Audit of standalone and consolidated financial statements including audit of internal financial controls over financial reporting and limited review of quarterly financial results	4 lacs
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Further, there is no change in the fee payable to the new auditors from that paid to the outgoing auditor and the increased scope of work with respect to the limited review of the subsidiaries of the Company whose accounts are consolidated with it as specified in Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board recommends the resolutions set forth in item no. 3 for the approval of Members by way of Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company and/ or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution mentioned at Item No. 3 of the Notice.

**Item No. 4**

The shareholders vide special resolution passed in Annual General Meeting on 29th September, 2020 approved the re-appointment of Mr. Shyam Daga as Executive Director of the Company for a period of five years w.e.f. 30th May, 2020 to

29th May, 2025. The terms and conditions of his re-appointment, including remuneration were approved by the shareholders in accordance with the provisions contained in Sections 196, 197, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013.

The Board of Directors at their meeting held on 09th August, 2022 noted the request received from Mr. Shyam Daga about his desire to step down as the Executive Director of the Company, due to certain personal reasons. Pursuant to the recommendation by the Nomination and Remuneration Committee, the Board of Directors at their meeting held on 09th August, 2022, has re-designated Mr. Shyam Daga as the Non-Executive Director of the Company w.e.f. 01st October, 2022. Henceforth he shall not be drawing any remuneration from the Company.

The Board recommends the Resolution set forth at Item No. 4 of the Notice for approval of the members as an Ordinary Resolution.

**Place: Bangalore**

**Date: 09.08.2022**

**Registered Office:**

Plot No 7, Sector-9,

Integrated Industrial Estate,

SIDCUL, Pant Nagar, Rudrapur,

Udham Singh Nagar,

Uttarakhand -263153.

CIN: L85110UR1995PLC008627

**By Order of the Board of Directors  
For ARCHIDPLY INDUSTRIES LIMITED**

**Atul Krishna Pandey**

**Company Secretary**

**M. No. A47815**



**DIRECTORS' REPORT****TO THE MEMBERS OF****ARCHIDPLY INDUSTRIES LIMITED**

Your Directors' are pleased to present the Twenty Seventh Annual Report together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March 2022.

**FINANCIAL RESULTS**

The financial results of the Company during the year under review are summarized as under:

**(Rs. In Lakhs)**

Particulars	Standalone		Consolidated
	2021-22	2020-21	2021-22
Revenue from Operations	30628.33	23084.50	30628.33
Other Income	89.54	52.59	89.54
<b>Total Income</b>	<b>30717.87</b>	<b>23137.09</b>	<b>30717.87</b>
Profit Before Financial expenses & Depreciation	2033.92	1363.97	2032.13
Less: Depreciation & Amortization Expenses	402.86	419.83	402.86
Less: Finance Costs	467.58	477.56	467.58
<b>Profit before tax</b>	<b>1163.48</b>	<b>466.58</b>	<b>1161.69</b>
Taxation	316.00	241.00	316.00
<b>Profit after tax</b>	<b>847.47</b>	<b>225.58</b>	<b>845.69</b>
Other Comprehensive Income	15.29	73.91	15.29
<b>Total Comprehensive Income</b>	<b>862.76</b>	<b>299.49</b>	<b>860.97</b>

**OPERATIONAL REVIEW:**

The highlights of the Company's standalone performance are as under:

**STANDALONE**

The Company's Total Income during the year under review are Rs. 30628.33 lakh as compared to Rs. 23084.50 lakh in previous year. The Profit after Tax for the year is Rs. 847.47 lakh as compared to Rs. 225.58 lakh in previous year.

Net worth increased to Rs. 9226.56 lakh at the end of the year 2022 from Rs. 8363.80 lakh at the end of previous year 2021.

The Debt Equity Ratio of the Company has reduced to 0.58 times as on 31<sup>st</sup> March, 2022 from 0.77 times as on 31<sup>st</sup> March, 2021.

The Operating profit margin has improved to 5.03% in FY22 from 3.86% in FY21.

**CONSOLIDATED**

The Company's Total Income during the year under review are Rs. 30628.33 lakh. The Profit after Tax for the year is Rs. 845.69 lakh.

**EFFECTS OF COVID-19 ON THE BUSINESS OF THE COMPANY**

During the year 2022, India saw second and third waves of COVID-19 driven by the highly transmissible Delta and Omicron COVID variants respectively. This led to a fresh set of restrictions in the country which impacted the economic activity, although to a lower extent as compared to the previous year.

**EFFECTS OF GLOBAL SUPPLY CHAIN AND LOGISTICS DISRUPTION**

Global supply chain and logistics disruption, container capacity constraints and geo-political tensions resulted in an increase in the freight costs and delivery times and higher commodity prices (e.g. Raw material).

Despite such a situation, the Company's plant operations continued to run smoothly, while ensuring adherence to necessary safety measures.

**RESERVES**

During the Financial year 2021-22, the Company has proposed no amount transfer to reserves.

**CHANGE IN NATURE OF BUSINESS, IF ANY**

During the financial year, there has been no change in the business of the company or in the nature of business carried by the Company during the financial year under review.

**DIVIDEND:**

Keeping in view to further improve the capacity utilization and consolidate its existing facilities, the Board has considered prudent to conserve and retain the profit for further improvement. The Board regrets its inability to recommend any dividend.

**SHARE CAPITAL**

The paid up equity capital as on March 31, 2022 was ₹ 19,86,50,000. The Company has not issued shares with differential voting rights nor granted stock options nor sweat equity during the year.

**EXPANSION**

During the Year 2022, Company has incorporated wholly owned subsidiary in the name of "Archidpanel Industries Private Limited (AIPL)". AIPL is in the process of setting up greenfield project for manufacturing Medium Density Fiberboard and allied products with an installed capacity of 250 CBM/day at Sitargunj, Uttarakhand of which commercial production is expected by 2nd Quarter of FY24.

The performance and financial position of the subsidiary company for the year ended 31st March, 2022 in the prescribed format AOC-1 is attached as **Annexure A** to the Consolidated Financial Statement of the Company and forms a part of this Annual Report.

In accordance with Section 136 of the Companies Act, 2013, the audited Financial Statements, including the Consolidated Financial Statement and related information of the Company and audited accounts of each of its subsidiary, is available on the website of the Company at [www.archidply.com](http://www.archidply.com).

Further, during the year, your Company has established a branch office in Visakhapatnam with a view to strengthen its presence in South India.

**SUBSIDIARY COMPANIES, ASSOCIATES & JOINT VENTURES**

Your Company has one Subsidiary, the detail of which is as follows:

Archidpanel Industries Private Limited "(AIPL)", (CIN:U20299UR2022PTC013589), a wholly owned subsidiary Company was incorporated on February 12, 2022 to set up a greenfield project for manufacturing Medium Density Fiberboard and allied products.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of financial statement of subsidiary in Form AOC-1 is attached herewith as Annexure A. The separate audited financial statements in respect of the subsidiary company are open for inspection and are also available on the website of your Company at [www.archidply.com](http://www.archidply.com).

Pursuant to the requirements of Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the details of Loans/Advances made to and investments made in the subsidiary have been furnished in Notes forming part of the Accounts.

Further, the Company does not have any joint venture or associate company during the year or at any time after the closure of the year and till the date of the report.

**CAPITAL EXPENDITURE****FINANCE:**

Cash and cash equivalents and bank balances other than cash and cash equivalent as at March 31, 2022 was Rs.404.41 lakh and Rs.68.61 Lakh respectively. The company continues to focus on judicious management of its working capital, receivables, inventories and other working capital parameters under strict monitoring.

**DEPOSITS:**

During the financial year under review, the company did not accept any deposit covered under chapter V of the Companies Act, 2013 and Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose are given in the

Notes to the Financial Statement of the company forming part of this Annual Report.

### **MATERIAL CHANGE AND COMMITMENT**

During the year 2022, Company has incorporated wholly owned subsidiary in the name of "Archidply Industries Private Limited (AIPL)" for setting up the manufacturing facilities of Medium Density Fibre Board and allied products.

There have been no material changes and commitments affecting the financial position of the Company between the close of the year till the date of this report.

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

### **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Internal Financial Controls are an integrated part of the risk management process, addressing financial and financial reporting risks. The internal financial controls have been embedded in the business processes and continuous monitoring of the internal financial control systems by the internal auditors during the course of their audits. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board and to the Chairman & Managing Director.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

During the financial year ended March 31, 2022, all the contracts or arrangements or transactions entered into by the Company with the related parties were in the ordinary course of business and on 'arm's length' basis and were in compliance with the applicable provisions of the Companies Act, 2013, read with Regulation 23 of SEBI (LODR), 2015.

In accordance with the requirements of the Companies Act, 2013 and Listing Regulations, 2015, your Company has a Policy on related party transactions placed on the website of the Company at [www.archidply.com](http://www.archidply.com).

All related-party transactions are placed before the Audit Committee for review and approval. Prior omnibus approval of the Audit Committee and the Board is obtained for the transactions which are of a foreseen and repetitive nature. A statement giving details of all related-party transactions is placed before the Audit Committee for their noting/approval every quarter. There were no materially significant transactions with related parties (i.e. transactions exceeding 10% of the annual consolidated turnover) during the year as per the last audited financial statements. Accordingly, the disclosure of transactions entered into with related parties pursuant to the provisions of Section 188(1) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts), Rules 2014 in Form AOC-2 is not applicable.

All related party transactions are mentioned in the notes to the accounts. The Directors draw attention of the members to the Notes to the financial statements which sets out the disclosure for related party transactions

### **CREDIT RATING DURING YEAR 2022**

- Brickwork Ratings had reaffirmed the rating of BWRBBB / Stable/ A3+ for the bank loan facilities of Rs 81.90 Crs of Archidply Industries Ltd. on 30 Jun 2021.

### **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Board of Directors of the Company has adopted a Corporate Social Responsibility (CSR) Policy on the recommendation of the CSR Committee and this Policy has been amended from time to time to ensure its continued relevance and to align it with the amendments to applicable provisions of law. The Company undertakes CSR activities in accordance with the said Policy.

The Company has adopted a strategy for undertaking CSR activities through various Foundation and is committed to allocating at least 2% of average net profit of the previous 3 years in line with the Company's CSR Policy and strategy, the Company plans interventions, inter alia, in the field of health and nutrition, education, water, environment & sanitation, agri-livelihoods, livelihoods and other initiatives.

The CSR Policy of the Company is available on the website of the Company at the link: [www.archidply.com](http://www.archidply.com) During the year under review, the Company has spent the entire mandated amount of Rs. 15.19 Lakh on CSR activities.

The annual report on our CSR activities is appended as **Annexure B** to the Board's report.

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in **Annexure C** to this Report.

### **INDUSTRIAL RELATIONS:**

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

**DIRECTORS & KEY MANAGERIAL PERSON:****DIRECTORS**

Mr. Shyam Daga, Executive Director of the company intimate the company that he desires to step down from the position of Executive Director and act as a Non-Executive Director, which was duly considered and approved by the Nomination & Remuneration committee and the board of directors subject to the approval of shareholders in upcoming Annual General Meeting.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company Mr. Deen Dayal Daga, Chairman & Executive Director of the company, will retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Brief resume of the Directors proposed to be appointed/reappointed, the nature of their expertise in specific functional areas and the names of the companies in which they hold the directorship and Chairmanship / Membership of Board Committees etc. are provided in the Notice to Members and report on Corporate Governance forming part of this Annual Report.

None of the Directors of your Company is disqualified as per provisions of Section 164(2) of the Companies Act, 2013. The Directors of the Company have made necessary disclosures as required under various provisions of the Companies Act.

All independent directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and as per the requirement of SEBI (LODR) Regulation 2015.

There were no changes to the Key Managerial Personnel since last annual general meeting.

**CORPORATE GOVERNANCE REPORT:**

Our corporate governance report for FY 2021-22 forms part of this Annual Report. The requisite certificate from the Secretarial Auditor of the Company confirming compliance with the conditions of corporate governance as stipulated under SEBI LODR is annexed to the corporate governance report.

**BOARD EVALUATION**

The Company has laid down a process for evaluation of the Board and Committees of Board as also evaluation of the performance of each of the Directors. The evaluation is conducted and monitored by the Chairperson, Nomination & Remuneration Committee (NRC) in consultation with the members of the committee. Each of the Directors are given a self-assessment Questionnaire, covering degree of fulfillment of their responsibilities, Board structure and composition, Responsibilities of Committee, effectiveness of the Board process, information and functioning, Board culture and dynamics, quality of relationship between the Board and Management etc.

The evaluation process inter alia considers attendance of Directors at Board and committee meetings, acquaintance with business, communicating inter se board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, benchmarks established by global peers, etc., which is in compliance with applicable laws, regulations and guidelines.

The Board carried out annual performance evaluation of the Board, Board Committees and Individual Directors and Chairperson. The Chairman of the respective Board Committees shared the report on evaluation with the respective Committee members. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Board Committees.

The reports on performance evaluation of the Individual Directors were reviewed by the Chairman of the Board.

**MEETINGS**

The board met seven times during the financial year 2021-22. For details of meetings of the Board, please refer to the Corporate Governance Report which is a part of this Annual Report.

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

Based on the framework of internal financial controls established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and reviews performed by Management in concurrence with the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2021-22.

In Compliance with section 134(5) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and hereby confirm the following:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the

financial year and of the profit and loss of the company for that period;

- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis;
- (e) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.
- (f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### **FAMILIARISATION PROGRAMME**

The details of the familiarisation programme undertaken have been provided in the Corporate Governance Report.

### **CODE OF CONDUCT:**

The Code lays down the standard procedure of business conduct which is expected to be followed by the directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

### **VIGIL MECHANISM**

Your Company has established a "Vigil Mechanism" for its employees and Directors, enabling them to report any concerns of unethical behavior, suspected fraud or violation of the Company's 'Code of Conduct'. To this effect, the Board has adopted a 'Whistle Blower Policy', which is overseen by the Audit Committee. The policy provides safeguards against victimisation of the Whistle Blower. Employees and other stakeholders have direct access to the Chairperson of the Audit Committee for lodging concerns if any, for review. The Whistle Blower Policy of your Company is posted on the website of the Company [www.archidply.com](http://www.archidply.com).

### **AUDITORS**

#### **1. STATUTORY AUDITORS**

In line with Section 139 of the Companies Act, 2013 and the Rules made thereunder and the recommendation given by the Audit Committee, M/s GRV & PK, Chartered Accountants (Firm Regn. No. 008099S), Bangalore, proposed to be appointed as the Statutory Auditor of the Company from the conclusion of the 27th Annual General Meeting till the conclusion of the ensuing 32nd Annual General Meeting in place of retiring auditors M/s Priti Jhawar & Co., Chartered Accountants (Firm Regn. No. 328818E).

The Report given by M/s. Priti Jhawar & Co., Chartered Accountants (ICAI Firm Reg. No. 328818E), Statutory Auditors on the financial statement of the Company for the year 2021-22 is part of Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

During the year under review, there were no material or serious instances of fraud falling within the purview of Section 143 (12) of the Companies Act, 2013 and rules made thereunder, by officers or employees reported by the Statutory Auditors of the Company during the course of the audit conducted and therefore no details are required to be disclosed under Section 134 (3)(ca) of the Act.

#### **2. SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. Rajneesh Sharma & Co, Practicing Company Secretary to undertake the Secretarial Audit of the Company for the financial year ended on 31st March, 2022. The Secretarial Audit Report is annexed as **Annexure D**.

Further, the wholly-owned subsidiary of the Company as mentioned above is not material unlisted

subsidiary. Therefore, the provisions regarding the Secretarial Audit as mentioned in Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), 2015 as amended, do not apply to such subsidiary.

#### **3. INTERNAL AUDITOR**

M/s Girdhari Sharma & Company, Chartered Accountants have been appointed as the Internal Auditor of the Company to carry out internal audit of branches, offices and manufacturing units of the Company. Internal auditors periodically report on the design deficiency and operational inefficiency, if any, apart from recommending further improvement measures, to



accomplish the Company objectives more efficiently. The observations and agreed action plans are presented quarterly, to the Audit Committee that reviews the adequacy of the controls implemented by the Management

The Audit Committee quarterly reviews the Internal Audit reports.

### **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

A certificate from M/s Rajneesh Sharma & Co. (Membership No. 5549, COP No. 24210), Practicing Company Secretary to the effect that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board/Ministry of Corporate Affairs or any such statutory authority is attached at the end of this report

### **SHARE REGISTRAR & TRANSFER AGENT (R&T)**

M/s. KFin Technologies Limited (Formerly KFin Technologies Private Limited) is the R&T Agent of the Company. Their contact details are mentioned in the Report on Corporate Governance.

### **EXTRACT OF THE ANNUAL RETURN**

The Annual Return of the Company as on March 31, 2022 is available on the Company's website and can be accessed at [www.archidply.com](http://www.archidply.com).

### **BUSINESS RISK MANAGEMENT**

Your Company has an elaborate Risk Management Framework, which is designed to enable risks to be identified, assessed and mitigated appropriately. On the basis of risk assessment criteria, the Company has been entrusted with the responsibility to assist the Board in:

- (a) Overseeing and approving the Company's enterprise wide Risk Management Framework and
- (b) Overseeing that all the risks that the organization faces such as financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in place, capable of addressing those risks.

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management's Discussion and Analysis Report for the year under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is presented in a separate section forming part of the Annual Report.

### **PARTICULARS OF EMPLOYEES**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Particulars of employees remuneration, as required under section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms a part of this report as **Annexure E**. Considering first proviso to Section 136(1) of the Companies Act, 2013, the Annual Report, excluding the said information, was sent to the members of the Company and others entitled thereto. The said information is available for inspection at the registered office of the Company during working hours up to the date of ensuing annual general meeting. Any member interested in obtaining such information may write to the Company Secretary in this regard.

### **EQUAL OPPORTUNITY & PREVENTION OF SEXUAL HARRASMENT**

The Company has always provided a congenial atmosphere for work to all employees that is free from discrimination of any kind. It has provided equal opportunities of employment to all without regard to the nationality, religion, caste, colour, language, marital status and sex.

The Company has also framed policy on 'Prevention of Sexual Harassment' at the workplace. We follow a gender-neutral approach in handling complaints of sexual harassment and we are compliant with the law of the land wherever we operate. There was no complaint related to sexual harassment during the Year 2021-22.

### **COMMITTEES OF THE BOARD**

Currently, the board has four Committees: the Audit Committee, the Nomination and Remuneration Committee, the Corporate Social Responsibility Committee and the Stakeholders Relationship Committee. The majority of the members of these committees are Independent and non-executives.

A detailed note on the composition of the board and other committees is provided in the corporate governance report section of this Annual Report.

**CEO AND CFO CERTIFICATION**

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

**COMPLIANCE WITH SECRETARIAL STANDARDS AND INDIAN ACCOUNTING STANDARDS**

The Board of Directors affirms that during the Financial Year 2021-22, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India i.e. SS-1 and SS-2 relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively and approved by the Central Government under Section 118(10) of the Companies Act, 2013. In the preparation of the Financial Statements, the Company has also applied the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015.

**LISTING FEES**

The Equity shares of the Company are listed with Bombay Stock Exchange Ltd. (BSE) & National Stock Exchange of India Limited (NSE). The annual listing fee for the year 2022-23 was paid within the scheduled time to BSE & NSE.

**TRANSFER OF SHARES**

As notified under Regulation 40(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository.

**GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise as per Section 43(a)(ii) of the Companies Act, 2013;
2. The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees;
3. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries;
4. No fraud has been reported by the Auditors to the Audit Committee or the Board;
5. Issue of Shares including Sweat Equity Shares to the employees of the Company under any scheme as per provisions of Section 54(1)(d) of the Companies Act, 2013;
6. No instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Companies Act, 2013.
7. Disclosure of reason for difference between valuation done at the time of taking loan from bank and at the time of one time settlement. There was no instance of onetime settlement with any Bank or Financial Institution.

**ACKNOWLEDGEMENT**

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. The Boards of Directors also wish to place on record its deep sense of appreciation for the committed services by the Company's executives, staff and workers.

**For and on behalf of the Board of Directors**

**Deen Dayal Daga**

**(Chairman)**

**Place:** Bangalore

**Date:** 09th August 2022

**Annexure - A****FORM NO. 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**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

1. Name of the subsidiary: Archidpanel Industries Private Limited
2. Reporting period for the subsidiary concerned, if different from the holding company's reporting period - NA
3. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries - NA
4. Share capital – Rs. 10 Lakh
5. Reserves & surplus – Rs.(1.79) Lakh
6. Total assets – Rs. 17.16 Lakh
7. Total Liabilities – Rs. 8.94 Lakh
8. Investments - Nil
9. Turnover - Nil
10. Profit before taxation – Rs. (1.79) Lakh
11. Provision for taxation - Nil
12. Profit after taxation – Rs. (1.79) Lakh
13. Proposed Dividend - Nil
14. % of shareholding - 100

**Notes:** The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations - NA
2. Names of subsidiaries which have been liquidated or sold during the year - NA

**Part "B": Associates and Joint Ventures**

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

Name of Associates/Joint Ventures	Name 1
<b>1. Latest audited Balance Sheet Date</b>	-
	-
<b>2. Shares of Associate/Joint Ventures held by the company on the year end</b>	-
No.	-
Amount of Investment in Associates/Joint Venture	-
Extend of Holding %	-

Name of Associates/Joint Ventures	Name 1
<b>3. Description of how there is significant influence</b>	-
<b>4. Reason why the associate/joint venture is not consolidated</b>	-
<b>5. Networth attributable to Shareholding as per latest audited Balance Sheet</b>	-
<b>6. Profit / Loss for the year</b>	
i. Considered in Consolidation	-
i. Not Considered in Consolidation	-

1. Names of associates or joint ventures which are yet to commence operations. NA

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

**Note:** This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

**For and on behalf of the Board of Directors**

**Deen Dayal Daga**  
Chairman

**Rajiv Daga**  
Managing Director & CEO

**Shyam Daga**  
Executive Director

**Atul Krishna Pandey**  
Company Secretary

Place: Bangalore

Date: 09th August 2022

## Annexure B to Boards Report

### THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken:

#### **ARCHIDPLY CSR VISION.**

Our CSR activities will be designed to serve society, local and schools in the locations where we operate. The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society.

#### **OVERVIEW OF ACTIVITIES:**

In line with the CSR policy and in accordance of Schedule VII of the Companies Act, 2013, your Company is planning to take initiatives during the year which have positive impact.

Archidply has been making enduring impact through its Corporate Social Responsibility (CSR) programs that promote social and economic inclusion. Archidply 'credibly capable' positioning has been translated in our CSR initiatives on education and community development.

During the year, the company has spent Rs.15.59 Lakh towards corporate social responsibility (CSR) under Section 135 of the Companies Act, 2013 and rules thereon by way of contribution to schools for their development.

Details about the CSR policy is available on our website, [www.archidply.com](http://www.archidply.com)

2. **COMPOSITION OF CSR COMMITTEE:**

Name of The Member	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Mr.Deen Dayal Daga	Chairman	1	1
Mr.Rajiv Daga	Member	1	1
Mrs.Shanti V. Mallar	Member	1	1
Mr.Pritam Singh	Member	1	1

3. **PROVIDE THE WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY**

3.1. Composition of the CSR committee shared above and is available on the Company's website at <https://www.archidply.com/investor-relations/>.

3.2. CSR policy - <https://www.archidply.com/investor-relations/>

3.3 CSR projects - <https://www.archidply.com/investor-relations/>

4. **PROVIDE THE DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE (ATTACH THE REPORT).**

Not Applicable

5. **DETAILS OF THE AMOUNT AVAILABLE FOR SET OFF IN PURSUANCE OF SUB-RULE (3) OF RULE 7 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014 AND AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR, IF ANY**

(Rupees in Lakh)

S. No.	Financial Year	Amount available for set off from preceding financial years	Amount required to be set off for the financial year, if any
1.	2020-21	NIL	NA
	TOTAL	NIL	NA



**6. AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5) OF THE ACT**

Average net profit: Rs.651.08 Lakh.

**7. a. Two percent of average net profit of the Company as per Section 135(5) of the Act**

The company is required to spend Rs.13.02 Lakh for the FY 2021-22.

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : NIL

(c) Amount required to be set off for the financial year, if any : NIL

(d) Total CSR obligation for the financial year (7a+7b-7c) : Rs.13.02 Lakh

**8. a. CSR amount spent or unspent for the financial year: NIL**

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per Section 135(6) of the Act	Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act			
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
13.22 lakh	NIL	NA		NIL	-

**b. Details of CSR amount spent against ongoing projects for the financial year:**

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project	Project duration	Amount allocated for the project	Amount spent in the current financial year	Amount transferred to Unspent CSR Account for the project as per Section 135(6) of the Act	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
Not Applicable										

**c. Details of CSR amount spent against other than ongoing projects for the financial year:**

(Rupees in Lakh)

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration No
1	Not Applicable	Promoting Healthcare, Education, Environmental Sustainability Rural Development etc	No	Delhi	Delhi	13.22	No	Dnighd wings your foundation	CSR00012628

**d. Amount spent in Administrative Overheads: NIL**
**e. Amount spent on Impact Assessment, if applicable: NIL**
**f. Total amount spent for the Financial Year (8b+8c+8d+8e) : 13.22 Lakh**
**g. Excess amount for set off, if any**

S. No.	Particulars	Amount
1.	Two percent of average net profit of the Company as per Section 135(5) of the Act	NIL
2.	Total amount spent for the Financial Year	NIL
3.	Excess amount spent for the financial year [(ii)-(i)]	NIL
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

## 9. a. Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) of the Act	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per Section 135(6) of the Act, if any			Amount remaining to be spent in succeeding financial years
				Name of the Fund	Amount	Date of transfer	
NIL							

## b. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year	Status of the project - Completed / Ongoing
NIL								

## 10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (assetwise details)

(a) Date of creation or acquisition of the capital asset(s) : None

(b) Amount of CSR spent for creation or acquisition of capital asset : NIL

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc. : Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : Not Applicable

## 11. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5) of the Act: Not Applicable

**Rajiv Daga****Managing Director & CEO****DIN No. 01412917****Deen Dayal Daga****Chairperson, CSR Committee****DIN No. 00497806****Place: Bangalore****Date: 09<sup>th</sup> August 2022**

## ANNEXURE “C” TO THE DIRECTORS’ REPORT

UNDER THE RULE 8 OF COMPANIES (ACCOUNTS) RULE, 2014.

### **A. Conservation of Energy**

Prevention of the wasteful use of natural resources, particularly concerning the emission of greenhouse gases, consumption of water and energy, and the management of waste and hazardous materials have been the key enablers in our journey of environmental sustainability.

Through continuously improving its manufacturing process and efficiency at its all plants and offices, the Company continues in its endeavor to improve energy conservation and utilization.

Our emissions and waste generated are well within limits prescribed by the State Pollution Control Board.

### **B. Research and Development (R & D)**

#### **• Specific areas in which R & D carried out by the Company.**

The Company is equipped with research and development facilities in its own unit where the professional and experienced staff of the company regularly keep testing in the way of product improvement and process optimisation with a view to reduce cost & increase efficiency.

The company has its own developed adhesive resin plant & glue formation process which help in low formaldehyde emissions.

#### **• Benefit derived as a result of the above R & D:**

The Company has derived the benefit of reduction in the cost of production & development of eco-friendly processes result in less quantity of effluent and emission.

#### **• Future Plan of action:**

R&D will focus on products leading to further cost reduction and reduced load on environment.

#### **• Expenditure on R & D**

No capital expenditure is done towards the R&D. The Company continuously incurs expenses for improving the processes, product quality, etc. they cannot be specifically identified as research & development expenses. Thus, the same has not been shown separately.

### **TECHNOLOGY, ABSORPTION, ADAPTATION AND INNOVATION.**

#### **• Efforts in brief, made towards technology absorption, adaptation and innovation.**

The Company has continued its endeavor to absorb the best of technologies for its product range from various sources, such as know-how from its associate Companies, their own data bank, published literature etc. It also actively participates in relevant standards bodies and forums. This helps increase the knowledge base within the Company and enhances the ability of the Company.

Your Company continues to track trends and latest developments in various technology areas. Your Company also undertakes continuous quality improvement programs to help increase efficiencies and productivity.

#### **• Benefits derived as a result of the above efforts.**

Benefits derived from these efforts include process rationalization, product quality improvement, and environmental friendly.

• **Imported technology**

There is no imported technology during the year

**C. Foreign Exchange Earning & Outgo**

Earnings: Rs.897.93 Lakh

Outgo: On account of Raw materials, Stores, Capital Goods, Foreign Travelling and Sales Promotions Rs.1183.90 Lakh.

**For and on behalf of the Board of  
Archidply Industries Limited**

**Deen Dayal Daga  
(Chairman)**

**Place: Bangalore**

**Date: 09th August 2022**

**Annexure D****Form No. MR-3  
SECRETARIAL AUDIT REPORT**

[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]

FOR THE FINANCIAL YEAR ENDED: **31.03.2022**

To,  
 The Members,  
**ARCHIDPLY INDUSTRIES LIMITED,**  
 Plot No 7, Sector-9, Integrated Industrial Estate, Sidcul, Pant Nagar,  
 Rudrapur Udham Singh Nagar Uttarakhand - 263153

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ARCHIDPLY INDUSTRIES LIMITED** (CIN: : L85110UR1995PLC008627 ) (hereinafter called the company) for the year ended **March 31, 2022**. 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.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, to the extent the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the company has, during the financial year ended on **March 31, 2022** (the audit period) generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment Overseas Direct Investment and External Commercial Borrowings: There were no FEMA provisions applicable during the Audit period.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable to the Company during the Audit Period);
  - d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit Period);
  - e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
  - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and
  - g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi. Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing companies the following laws / acts are also inter alia, applicable to the Company:



- a. The Environment (Protection) Act, 1986
- b. Water (Prevention and Control of Pollution), Act, 1974
- c. The Legal Metrology Act, 2009
- d. Air (Prevention and Control of Pollution), Act, 1981

**I have also examined compliance with the applicable clauses of the following:**

- a. Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meeting.
- b. SEBI (Listing Obligations and Disclosure Requirements) 2015 for the year ended 31<sup>st</sup> March 2022 with Bombay Stock Exchange Limited and National Stock Exchange of India Ltd.

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

**I have not examined compliance by the Company with:**

- a. Applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

**I further report that :**

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

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

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that during the audit period:**

- a. a. The company during the financial year spent Rs. 15.59 lakhs as a CSR Expenditure.
- b. There was no other event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report

**For RAJNEESH SHARMA & CO,  
COMPANY SECRETARIES**

**(RAJNEESH SHARMA)**  
Proprietor  
FCS: 5549; CP No: 24210  
UDIN: F005549D000788971  
PR No.1771/2022  
Place :Delhi

Date: 9<sup>th</sup> August , 2022

**ANNEXURE – A**  
(To the Secretarial Audit Report)

To

The Members,

Archidply Industries Limited

Plot No 7, Sector-9, Integrated Industrial Estate, Sidcul, Pant Nagar,

Rudrapur Udham Singh Nagar Uttarakhand - 263153

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and 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 the secretarial records. I believe that the processes and practices, I followed, provide are as on able basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**For RAJNEESH SHARMA & CO,**

**COMPANY SECRETARIES**

**(RAJNEESH SHARMA)**

**Proprietor**

**FCS: 5549; CP No: 24210**

**UDIN: F005549D000788971**

**PR No.1771/2022**

**Place : Delhi**

**Date: 9<sup>th</sup> August , 2022**

**Certificate of Non Disqualification of Directors [Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

To,

The Members of ARCHIDPLY INDUSTRIES LIMITED  
 Plot No 7, Sector-9, Integrated Industrial Estate,  
 Sidcul, Pant Nagar, Rudrapur, Udham Singh Nagar,  
 Uttarakhand 263153

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of ARCHIDPLY INDUSTRIES LIMITED having CIN-L85110UR1995PLC008627, having its registered office at Plot No 7, Sector-9, Integrated Industrial Estate, Sidcul, Pant Nagar, Rudrapur Udham Singh Nagar Uttarakhand - 263153 (herein after 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 5 para C sub clause (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations 2015.

In our opinion and best of our belief, information and according to the verification (Including Director Identification Number(DIN) status of the respective directors at the portal www.mca.gov.in as considered necessary and written representation made by the respective directors, we hereby certify that none of the directors on the board of the company as stated below for the financial year ending on 31<sup>st</sup> March 2022 have been debarred or disqualified from being appointed or continuing as the director of the company by the securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	DEEN DAYAL DAGA	00497806	30/05/2015
2	SHYAM DAGA	00561803	30/05/2015
3	RAJIV DAGA	01412917	24/12/2004
4	MOHAMMAD SHAHID AFTAB	01363518	07/09/2007
5	PRITAM SINGH	01168865	18/06/2021
6	SHANTI MALLAR VARADARAJ	07114866	11/03/2015

Ensuring the eligibility for the appointment/ continuity as the director of the board is the responsibility of the management of the company. Our responsibility is to express an opinion based on our verification and representation made by the respective directors. This Certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For RAJNEESH SHARMA & CO,

**COMPANY SECRETARIES**

(RAJNEESH SHARMA)  
 Proprietor  
 FCS: 5549; CP No:24210

PR No.1771/2022

UDIN No.: F005549D000789024

Place : Delhi  
 Date: 9<sup>th</sup> August , 2022

## REPORT ON CORPORATE GOVERNANCE

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

The detailed report on Corporate Governance for the financial year ended March 31, 2022, as per regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is set out below:

### **Company’s philosophy on Code of Governance**

Archidply believe that good Corporate Governance emerges from the application of best management practices and compliance with the laws coupled with the highest standard of integrity, accountability and ethics in all business matter. Our corporate structure, business and disclosure practices have been aligned to our Corporate Governance Philosophy. Transparency, accountability, fairness and stakeholders are integral to our functioning

### **Board of Directors:**

The Board of Director comprises of member from diversified fields and having varied skills, vast experience and knowledge. The Board consists of six members including three Executive Directors and three Non-Executive Independent Directors. Composition of the Board of your Company is in conformity with Regulation 17 of SEBI (LODR) Regulation 2015.

The Board being aware of its fiduciary responsibility recognizes its responsibilities towards all stakeholder to uphold highest standard in all matter concerning the Company. It has empowered responsible person to implement its board policies, guidelines and has set up adequate review process. The Board provides strategic guidance on the affair of the Company. The Independent Director provides independent and objective judgment on matters placed before them.

### **Board Composition & Categories.**

The Board of Directors of the Company consists of an optimum combination of Executive and Non-Executive Directors. The Board of Directors comprises 6 Directors out of which 3 Directors are Non-executive Directors as on 31.03.2022. The Company has an Executive Chairman and not less than half of the total strength of the Board comprises of Independent Directors. The Company has three Independent Directors. None of the Directors on the Company’s Board is a member of more than 10 Committees and Chairman of more than 5 Committees across all the Companies in which they were Director as on 31.03.2022. All the Directors have made necessary disclosures regarding committee positions occupied by them in other Companies.

During the year under review, none of the Independent Directors on the Board of the Company had resigned.

There is no pecuniary relationship or transaction of the Non-Executive Directors with the Company.

During the year, 7(seven) Board Meetings were held on 07.04.2021, 28.04.2021, 18.06.2021, 11.08.2021, 30.10.2021, 24.01.2022 and 14.02.2022. There has not been a time gap in excess of four months between any two meetings of the Board of Directors.

The requisite information as enumerated as per the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 is made available to the Board of Directors for discussion and consideration at Board Meetings. The composition of the Board, attendance at Board Meetings (BM) held during the financial year (FY) under review and at last Annual General Meeting (AGM) and number of Directorships and Memberships/ Chairmanships in other Public Companies are given below:

Name of the Director	Designation & Category	FY 2021-22 Attendance at		No. of Other Directorships Held* This Company	No. of Committee Positions held	
		BM	Last AGM		Other Company	
Mr. Deendayal Daga	Executive Chairman – Promoter Director	6	YES	5	1	Nil
Mr. Rajiv Daga	Managing Director & CEO – Promoter Director	7	YES	4	3	Nil
Mr. Shyam Daga	Executive Director - Promoter Director	4	YES	5	Nil	Nil
Mr. B.H. Rathi#	Non-Executive Independent Director	1	YES	Nil	Nil	Nil
Mr. M.S. Aftab	Non-Executive Independent Director	7	YES	1	4	1
Mrs. Shanti V. Mallar	Non-Executive Independent Director	7	YES	Nil	4	Nil
Mr. Pritam Singh#	Non-Executive Independent Director	4	YES	1	4	Nil

\*No of other Directorships held includes private limited and public limited company.

# Mr. Bharath Kumar Hukumchand Rathi, Independent Director of the Company, expired on 08th May, 2021.

# Mr. Pritam Singh was appointed as an Independent Director with effect from 18th June, 2021.

None of the Non- Executive Directors hold any shares in the Company as at 31<sup>st</sup> March, 2022.

In terms of the provisions of the Companies Act, 2013 and the Articles of Association of the Company, one-third Directors of the Company, liable to retire by rotation retires at every Annual General Meeting. In the ensuing Annual General Meeting Mr. Deen Dayal Daga (Executive Chairman) is liable to retire by rotation. Information as required under SEBI (LODR) Regulation 2015 on director's appointed/reappointed at this Annual General Meeting is annexed to the Notice of the Annual General Meeting.

The number of other listed entity's Board(s) or Board Committees in which the Directors are member/ chairperson and name of other Listed Companies along with Category of Directorship as on March 31, 2022 are as follows:

Name of the Director (Designation)	No. of outside directorship held		Name of other Listed Companies and Category of Directorship Member	No. of outside committees* (in public limited companies)	
	Public	Private		Chairman	
Mr. Deen Dayal Daga (Executive Chairman)	1	3	Nil	0	0
Mr. Rajiv Daga (Managing Director & CEO)	2	2	Archidply Decor Limited : Non-Executive Director	1	0
Mr. Mr. Shyam Daga (Executive Director )	2	3	Archidply Decor Limited : Executive Chairman & Managing Director	2	0
Mr. Mohammad Shahid Aftab (Independent Director)	1	0	Nil	0	0
Mrs. Shanthi Vardraj Mallar (Independent Director)	0	0	Nil	0	0
Mr. Bharat Kumar Hukumchand Rathi (Independent Director)*	0	1	Nil	0	0
Mr. Pritam Singh (Independent Director) #	0	1	Nil	0	0

\* Mr. Bharath Kumar Hukumchand Rathi, Independent Director of the Company, expired on 08th May, 2021.

# Mr. Pritam Singh was appointed as an additional director in the category of Independent Director on 18<sup>th</sup> June, 2021.

\* Membership/Chairmanship of Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee has only been Considered.

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

#### **Performance evaluation of Board & Directors:**

The Board is responsible for undertaking a formal annual evaluation of its own performance, that of its Committees and of individual Directors as per Section 134 of Companies Act, 2013 and regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with a view to review their functioning and effectiveness and also for identifying possible paths for improvement. During the year, the Board in concurrence with Nomination and Remuneration Committee carried out a performance evaluation of itself, its Committees, and each of the Executive/ Non-Executive/ Independent Directors through questionnaire. .

The Independent Directors were evaluated on various performance indicators including aspects relating to:

- Integrity and maintenance of confidentiality.
- Commitment and participation at the Board & Committee
- Effective deployment of knowledge and expertise
- Exercise of objective independent judgement in the best interest of Company
- Interpersonal relationships with other directors and management

The board and committee were evaluated on the following parameters:

- Size, structure and expertise of the Board.
- Review of strategies, risk assessment, robust policies and procedures by Board.
- Oversight of the financial reporting process & monitoring company's internal control system, quality of agenda, conduct of meeting, procedures and process followed for effective discharge of functions.
- Effective discharge of functions and duties by Committee as per terms of reference, appropriateness and timeliness of the updates given on regulatory developments.
- Board's engagement with Senior Management team.
- The Chairperson had an individual discussion with each director based on the peer analysis.

#### **Meeting of Independent Directors:**

A separate meeting of Independent Directors for the Financial Year 2021-22 as per SEBI (LODR) Regulation 2015 was held on 24th January 2022, wherein the Independent Directors reviewed the performance of the Executive Directors and evaluation of Board and other matters. All the independent Directors were present at the meeting.

#### **Details of Familiarisation programme to Independent Directors:**

Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV of the Companies Act, 2013 mandates the Company to familiarise the Independent Directors with the Company by conducting training programmes. During the year, the Board members were regularly apprised with the overview of the Company and its operations by the Senior Management team. The Board was also regularly apprised of all regulatory and policy changes.

The familiarisation policy including details of familiarisation programmes attended by Independent Directors during the year ended March 31, 2022 is posted on the website of the Company i.e. [www.archidply.com](http://www.archidply.com).



Confirmation that in the opinion of the Board of Directors the Independent Directors of the Company fulfils the conditions specified in the SEBI Listing Regulations and are independent of the management of the Company:

Based on the declaration of independency pursuant to Section 149(6) of the Act, and Listing Regulations, received from each of the Independent Directors of the Company and placed before the Board of Directors in their meeting held on May 20, 2022, it is confirmed by the Board of Directors that Mr. Mohammad Shahid Aftab, Mrs. Shanti Mallar Varadaraj and Mr. Pritam Singh, Independent Directors of the Company fulfils the conditions specified in SEBI Listing Regulations and are independent of the management.

**Board Membership Criteria and list of core skills/expertise/competencies identified in the context of the business:**

In terms of requirement of Listing Regulations, the Board has identified the following skills/expertise/competencies of the Directors as given below:

Skills and its description	Deen Dayal Daga	Rajiv Daga	Shyam Daga	MS Aftab	Shanti Mallar Varadaraj	Pritam Singh
Experience of crafting Business Strategies Experience in developing long-term strategies to grow consumer/dealer business, consistently, profitably, competitively and in a sustainable manner in diverse business environments and changing economic conditions	Yes	Yes	Yes	Yes	Yes	Yes
Finance and Accounting Experience: Leadership experience in handling financial management of a organization along with an understanding of accounting and financial statements	Yes	Yes	Yes	Yes	Yes	No
Leadership experience of running enterprise: Experience in leading well-governed organisations, with an understanding of organisational systems and processes complex business and regulatory environment, strategic planning and risk management, understanding of emerging local and global trends and management of accountability and performance	Yes	Yes	Yes	Yes	Yes	Yes
HR/ people Orientation: Understanding of HR Policies Managing HR activities, talent development and strengthening the people function	Yes	Yes	Yes	Yes	Yes	Yes
Understanding of Consumer and Customer Insights in diverse environments and conditions – Experience of having managed organisations with consumer/dealers interface in diverse business environments and economic conditions which helps in leveraging consumer/dealers insights for business benefits.	Yes	Yes	Yes	Yes	Yes	Yes

**Disclosures of relationships between Directors inter-se:**

Name of the Director (Designation)	Category	Relationship with Directors
Mr. Deen Dayal Daga (Executive Chairman)	Promoter	Father of Mr. Rajiv Daga & Mr. Shyam Daga
Mr. Rajiv Daga (Managing Director & CEO)	Promoter	Mr. Shyam Daga ( Brother) Mr. Deen Dayal Daga (Father)
Mr. Mr. Shyam Daga (Executive Director)	Promoter	Mr. Rajiv Daga ( Brother) Mr. Deen Dayal Daga (Father)
Mr. Mohammad Shahid Aftab, (Director)	Independent	None
Mrs. Mrs. Shanti Mallar Varadaraj (Director)	Independent	None
Mr. Pritam Singh (Director)	Independent	None

**CONFIRMATION AS REGARDS INDEPENDENCE OF INDEPENDENT DIRECTORS**

The Board confirms that based on the written affirmations from each Independent Director, all Independent Directors fulfil the conditions specified for independence as stipulated in the Regulation 16(1)(b) of the Listing Regulations, as amended, read with Section 149(6) of the Act along with rules framed thereunder and are independent of the Management.

Further, none of the Directors are related to each other.

**Composition of Board Committee**

The Board has constituted various Committees to support the Board in discharging its responsibilities. There are four Committees constituted by the Board

- Audit Committee
- Stakeholders Relationship Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee

The Company's guidelines relating to Board meetings are applicable to Committee meetings as far as practicable.

Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its functions. Senior officers/ functional heads of Company are invited to present various details called for by the Committee in its meeting. Minutes of proceedings of Committee meetings are circulated to the Directors and placed before Board meetings for noting. The recommendations of the Committees are submitted to the Board for approval.

**Audit Committee****Terms of Reference:****(i) Brief description of terms of reference:**

The powers, role and terms of reference of the audit Committee are in line with the provisions of Section 177 of the Companies Act 2013, and regulation 18 of SEBI (LODR) 2015.

The primary objective of the Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditors and the independent auditors and notes the processes and safeguards employed by each of them.

The Committee also reviews the functioning of whistle blower & Vigil mechanism, adequacy and effectiveness of internal audit function, risk management and control systems and results of operation.

### **Business Risk Evaluation and Management**

The overview of the risk management policy is also done by the Audit Committee.

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Audit Committee regarding the Risk Management broadly comprise of;

1. Oversight of risk management performed by the executive management;
2. Reviewing the BRM policy and framework in line with local legal requirements and SEBI guidelines;
3. Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
4. Defining framework for identification, assessment, monitoring, and mitigation and reporting of risks.
5. Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, and potential impact analysis and mitigation plan.

### **WHISTLE-BLOWER POLICY**

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism and Whistle-blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

### **PROHIBITION OF INSIDER TRADING**

With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.

Audit Committee is also responsible for giving the guidance & directions under SEBI (Prohibition of Insider Trading) Regulations, 2015

- **Meeting, Composition, designation, Category and Attendance thereof:**

The Committee met six times during the FY 2021-22 on 28.04.2021, 18.06.2021, 11.08.2021, 30.10.2021, 24.01.2022, and 14.02.2022. The attendance and Composition of meetings is as under:

S. No	Name of Director	Designation	Category	No. of meetings attended
1	Mr. M.S.Aftab	Chairman	Non Executive, Independent	6
2	Mr. B.H.Rathi#	Member	Non Executive, Independent	0
3	Mr. Rajiv Daga	Member	Executive, Promoter	6
4.	Mrs. Shanti V. Mallar	Member	Non Executive, Independent	5
5.	Mr. Pritam Singh#	Member	Non Executive, Independent	5
5.	Ms. Priti Jhawar	Auditor	Auditor	6
6.	Mr. Atul Krishna Pandey	Secretary to the Committee	Company Secretary	6

# Mr. Mr. Bharath Kumar Hukumchand Rathi, Independent Director of the Company, expired on 08th May, 2021.

# Mr. Pritam Singh Mr. Pritam Singh was appointed as an Independent Director with effect from 18th June, 2021.

The Company Secretary acts as the Secretary to the Audit Committee.

**Nomination & Remuneration Committee:**

**(i) Brief description of terms of reference:**

The terms of reference of the Nomination & Remuneration Committee are in line with the provisions of section 178 of the Companies Act and Regulation 19 SEBI (LODR) 2015.

The purpose of the Committee is to oversee the nomination process for top-level management positions and review executive remuneration structure. The Committee identifies, screens and reviews individuals qualified to serve as executive directors, non-executive directors and independent directors consistent with criteria approved by the Board and recommends, for approval by the Board, nominees for election at the AGM.

• **Meeting, Composition, designation, Category and Attendance thereof:**

During the year 2021-22, 1 meetings of Committee were held on 18th June, 2021. The Composition and other details of Nomination and Remuneration Committee of the Company are as follows

The Committee comprises of three independent Directors:

S. No	Name of Director	Designation	Category	No. of meetings attended
1	Mr. M.S.Aftab	Chairman	Non Executive, Independent	1
2	Mr. B.H.Rathi#	Member	Non Executive, Independent	0
3	Mr. Pritam Singh#	Member	Non Executive, Independent	1
4	Mrs. Shanti V. Mallar	Member	Non Executive, Independent	1
5	Mr. Atul Krishna Pandey	Secretary to the Committee	Company Secretary	1

# Mr. Mr. Bharath Kumar Hukumchand Rathi, Independent Director of the Company, expired on 08th May, 2021.

# Mr. Pritam Singh Mr. Pritam Singh was appointed as an Independent Director with effect from 18th June, 2021.

• **Details of Remuneration paid to Directors:**

**Payment to Non-Executive Directors**

Non-executive Directors are paid the sitting fees for attending the Board Meetings and Committee Meetings

(In Rs.)

Name of Directors	Sitting fees
Mr. M.S.Aftab	1,85,000
Mr. B.H. Rathi	15,000
Mrs.Shanti V.Mallar	1,85,000
Mr. Pritam Singh	1,25,000

Pecuniary relations or transactions of the Non-Executive Directors

There were no pecuniary relationship or transactions of non-executive directors vis- a-vis the Company.

### **Payment to Executive Directors**

All elements of remuneration package i.e. salary, benefits, bonuses, etc. paid to Executive Directors are

(Per Month)

<b>Name of Director</b>	<b>Basic Salary</b>	<b>HRA</b>	<b>Total</b>
Mr. Deen Dayal Daga	200000	120000	320000
Mr. Shyam Daga	200000	120000	320000
Mr. Rajiv Daga	200000	120000	320000

- i. No commission is payable to the Executive Directors.
- ii. No sitting fee is paid to Executive Directors for attending the meeting of Board of Directors of the Company or committees thereof.
- iii. There is no separate provision for payment of severance fees.

The details of shares held by the Executive and Non-Executive Directors of the Company as on March 31, 2022 are as follows:

<b>Name of the Director (Designation)</b>	<b>Category</b>	<b>Shares Held</b>
Mr. Deen Dayal Daga (Executive Chairman)	Promoter	771620
Mr. Rajiv Daga (Managing Director & CEO)	Promoter	651342
Mr. Mr. Shyam Daga (Executive Director)	Promoter	573685
Mr. Mohammad Shahid Aftab, (Director)	Independent	None
Mrs. Mrs. Shanti Mallar Varadaraj (Director)	Independent	None
Mr. Pritam Singh (Director)	Independent	None

### **POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION:**

The Nomination and Remuneration Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration. This Policy is accordingly derived from the said Charter.

### **CRITERIA OF SELECTION OF INDEPENDENT DIRECTORS**

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/ profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Human Resources, Nomination and Remuneration Committee, for appointment, as Independent Director on the Board. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons in accordance with the Company's Policy for Selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation, and takes appropriate decision. Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under law.

### **REMUNERATION**

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board meetings.

A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

### **REMUNERATION OF CHAIRPERSON**

The N&RC recommends the remuneration of the Executive Chairperson to the Board which considered and approved by the Board subject to Shareholders' and regulatory approvals. The N&RC, while recommending the remuneration of the Chairperson considers the following factors:

- (a) Function, Role and Responsibilities of the Chairperson,
- (b) Comparison with the peer Companies,
- (c) Industry benchmarking,
- (d) Regulatory guidelines as applicable, etc

The remuneration payable to the Chairperson is subject to prior approval of the Board. Therefore, the remuneration or any revision in remuneration of the Chairperson is payable only after receipt of the approval from Board and Shareholder approval.

### **CEO & Managing Director - Criteria for selection / appointment**

For the purpose of selection of the CEO & MD, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

### **Remuneration for the CEO & Managing Director**

At the time of appointment or re-appointment, the CEO & Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the CEO & Managing Director within the overall limits prescribed under the Companies Act, 2013.

The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

The remuneration of the CEO & Managing Director comprises only of fixed component. The fixed component comprises salary, allowances, perquisites, amenities and retrial benefits.

### **Remuneration Policy for the Senior Management Employees.**

In determining the remuneration of the Senior Management Employees (i.e. KMPs and Executive Committee Members) the N&R Committee shall ensure the relation- ship of remuneration and performance benchmark is clear.

The Managing Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein-above, whilst recommending the annual increment and performance incentive to the N&R Committee for its review and approval.

### **CODE OF CONDUCT**

The Company has in place a comprehensive Code of Conduct ('the Code') applicable to the Directors and employees. The Code is applicable to Non-Executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the values of the Company viz. Customer Value, Ownership Mind-set, Respect, Integrity, One Team and Excellence.

A copy of the Code has been put up on the Company's website and can be accessed at [www.archidply.com](http://www.archidply.com). The Code has been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually.

A declaration signed by the Company's Chairman is published in this Report.



## **COMPLIANCE**

The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations, including the Companies Act, 2013 read with rules issued thereunder, as applicable and Secretarial Standard-1 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

## **MD & CEO / CFO CERTIFICATION**

The Managing Director and the Chief Financial Officer of the Company give Quarterly and annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. The Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations. The annual certificate given by the Managing Director and the Chief Financial Officer is published in this Report.

## **EMPLOYEE STOCK OPTIONS**

Archidply has not issue Employee Stock Option during F.Y 2021-22.

## **Stakeholder Relationship Committee:**

### (i) **Brief description of terms of reference:**

The terms of reference of the Stakeholders Relationship Committee are in line with the provisions of section 178 of the Companies Act 2013 and Regulation 20 SEBI (LODR) 2015.

The Stakeholders Relationship Committee is primarily responsible for redressal of shareholders' / investors' / security holders' grievances including complaints related to transfer of shares, non-receipt of declared dividends, annual reports etc. The Committee's terms of reference also include allotment of equity shares to option grantees under the prevailing ESOP Scheme of the Company.

- Meeting, Composition, designation, Category and Attendance thereof:

The Committee met four times during the FY 2021-22 on 18.06.2021, 11.08.2021, 30.10.2021, and 14.02.2022. The attendance and Composition of meetings is as under:

S. No	Name of Director	Designation	Category	No. of meetings attended
1	Mr. M.S Aftab	Chairman	Non Executive, Independent	4
2	Mr. B.H Rathi#	Member	Non Executive, Independent	0
2	Mr. Pritam Singh#	Member	Non Executive, Independent	4
3	Mr. Rajiv Daga	Member	Managing Director	4
4.	Mrs. Shanti V. Mallar	Member	Non Executive, Independent	4

# Mr. Mr. Bharath Kumar Hukumchand Rathi, Independent Director of the Company, expired on 08th May, 2021.

# Mr. Pritam Singh Mr. Pritam Singh was appointed as an Independent Director with effect from 18th June, 2021.

The shares of the Company are being compulsorily traded in dematerialized form. Shares in physical form, received for transfer/dematerialization, were transferred/dematerialized within a period of 21 days from the date of lodgement of valid share transfer deed along with share certificate. These requests are processed through the Company's Registrar and share transfer Agent i.e. Kfin Technologies Private Limited.

The Company has taken various steps to ensure that the shareholders- related matters are given due priority and the matters/ issues raised are resolved at the earliest.

During the year 2021-22 - No Complaints was received.

**CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:****(i) Brief description of terms of reference:**

The terms of reference of the Committee are in line with the provisions of section 135 of the Companies Act, 2013.

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating, monitoring and implementing a framework in line with the corporate social responsibility policy of the Company. The details of the CSR policy & other details available on the website of the Company [www.archidply.com](http://www.archidply.com)

The terms of reference of the Committee are:

- a. To formulate and recommend to the Board, a Corporate Social Responsibility Policy, which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
  - b. To recommend the amount of expenditure to be incurred on CSR activities; and
  - c. To monitor from time to time the CSR Policy of the Company.
- Meeting, Composition, designation, Category and Attendance thereof:

The committee met 1 times during the financial year ended March 31, 2022 on 14th February 2022.

S. No	Name of Director	Designation	Category	No. of meetings attended
1	Mr. Deen Dayal Daga	Chairman	Executive, Promoter	1
2	Mr. Rajiv Daga	Member	Executive, Promoter	1
3	Mr. B.H. Rathi	Member	Non Executive, Independent	1
6.	Mrs. Shanti V. Mallar	Member	Non Executive, Independent	1

**General Body Meetings**

i.Details of the location and time of the last three AGM's(Annual General meeting) held:

Year	Location	Date	Time	No of Special Resolution (s) passed
2021	Through Video Conferencing (Plot no. 7, Sector-9, IIE SIDCUL Pantnagar, Rudrapur, Udham Singh Nagar, Uttrakhand -263153 – Deemed Venue)	26-07-2021	11:00 AM	5
2020	Through Video Conferencing (Plot no. 7, Sector-9, IIE SIDCUL Pantnagar, Rudrapur, Udham Singh Nagar, Uttrakhand -263153 – Deemed Venue)	29-09-2020	11:30 AM	4
2019	Plot no. 7, Sector-9, IIE SIDCUL Pantnagar, Rudrapur, Udham Singh Nagar, Uttrakhand -263153	25-09-2019	10:30 AM	-

- The following Special Resolution was taken up in the last three Annual General Meetings.
- Authorise board to borrow.
- Increase the limits for Loan/Guarantee / Security / Investments
- Loan to directors, Etc
- Regularisation of Additional Director, Mr. Pritam Singh by appointing him as independent director of the company

- Re-appointment of Executive Chairman, Managing Director & CEO, and Executive Director
- Re-appointment of Independent Directors

There is no immediate proposal for passing any special resolution through Postal Ballot.

#### **Disclosures**

- None of the transactions with any of the related party was in conflict with the interest of the Company at large. The details of related party transactions are given in the Notes to Accounts forming part of the Annual Accounts.
- The Company has complied with the requirements of the stock exchange or SEBI on matters related to Capital Market as applicable.
- The Company has complied with the mandatory requirements of SEBI (LODR) Regulation 2015.

#### **Means of Communication**

The quarterly, half-yearly and yearly financial results of the Company are sent out to the Stock Exchanges immediately after they are approved by the Board. The Company published its un-audited/audited financial results in Uttaranchal Darpan & Jansatta (Hindi edition) and Financial Express (English Edition).

The financial results are simultaneously posted on the website of the Company i.e. [www.archidply.com](http://www.archidply.com)

To facilitate prompt correspondence with investors/shareholders relating to their queries and grievances, the Company has a dedicated email-id viz, [cs@archidply.com](mailto:cs@archidply.com).

#### **Website:**

The Company's website ([www.archidply.com](http://www.archidply.com)) is a comprehensive reference on Company's vision, mission, products, investor relation, and contact details. In compliance with Regulation 46 of the Listing Regulations, a separate section under "Investor Relations" on the Company's website gives all required information under the Listing Regulations.

#### **General Shareholder Information**

1. **27<sup>th</sup> Annual General Meeting:** shall be held on Friday, September 30, 2022 at 11:30 a.m. at the registered office of the company at plot no. 7, sector - 9, Integrated Industrial Estates, SIDCUL, Pant Nagar, dist. Udham Singh Nagar, Rudrapur, Uttarakhand, 263153.

2. **Financial Year**

The Company's financial year was from April 1<sup>st</sup> 2021 to March 31<sup>st</sup> 2022.

3. **Publication of results for the financial year 2022-23 (tentative and subject to change)**

First quarter results: On or before August 14, 2022

Second quarter and half year results: On or before November 14, 2022

Third quarter results: On or before February 14, 2023

Fourth quarter results and results for the year ending

March 31, 2023: On or before May 30, 2023.

4. **Date of Book Closure**

24<sup>th</sup> September, 2022 to 30<sup>th</sup> September 2022 (Both days inclusive)

5. **Dividend payment date**

No dividend declared for the year under review.

## 6. Listing on stock exchanges

The Equity shares of the Company are listed at:

Bombay Stock Exchange Limited (BSE)

Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001

National Stock Exchange Limited (NSE)

Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051

The annual listing fees, for the equity shares of the Company, pertaining to the year 2022-23 has been paid to the concerned stock exchange on demand.

## 7. Stock code

Stock Exchange	Stock Code	Type of security
Bombay Stock Exchange :Limited (BSE)	532994	Equity Shares
National Stock Exchange Limited (NSE)	ARCHIDPLY	Equity Shares

Corporate Identification Number –L85110UR1995PLC008627

## 8. Stock Market data & Performance in comparison to BSE Sensex and NSE Nifty Monthly Closing high and low quotation of shares traded on National and Bombay Stock Exchange for the year 2021-22

Year 2021-22				BSE				
NSE	High Price	Close Price	No. of Trades	High Price	Close Price	No. of Trades		
Month*	High Price	Close Price	Sensex High	Sensex Low	High Price	Close Price	Nifty High	Nifty Low
Apr-21	33.3	33.3	50375.77	47204.5	33.40	33.4	14855.45	14601.7
May-21	37	33.9	52013.22	48028.07	36.15	35.8	15606.35	15374
Jun-21	37.6	37	53126.73	51450.58	38.10	35.70	15839.1	15708.75
Jul-21	37.6	34.1	53290.81	51802.73	35.10	34.95	15862.8	15744.85
Aug-21	37.8	30.7	57625.26	52804.08	31.4	30.75	17153.5	16915.85
Sep-21	32.95	30.9	60412.32	57263.90	31.5	30.9	17742.15	17585.35
Oct-21	34.75	31.85	62245.43	58551.14	32.2	31.35	17915.85	17613.1
Nov-21	49.05	43.1	61036.56	56382.93	45.95	43	17324.65	16931.4
Dec-21	46.85	42.15	59203.37	55132.68	43.65	42.3	17400.8	17238.5
Jan-22	61.55	50.2	61475.15	56409.63	53.5	50.3	17410	17264.15
Feb-22	57.25	40.85	59618.51	54383.20	41.95	40.9	16815.9	16356.3
Mar-22	43.95	39.05	58890.92	52260.82	44.60	38.9	17559.8	17435.2

\*Source: Websites of Stock Exchanges, BSE and NSE

## 9. Registrar & Transfer Agents.

The Registrar and share Transfer Agent of the Company is KFin Technologies Private Limited who can be contacted at the following address:

KFin Technologies Private Limited

Karvy Selenium, Tower- B, Plot No 31 & 32., Financial district, Nanakramguda, Serilingampally Mandal, Hyderabad, 500032

Tel: +91 04 67161500

Email Id: [kishore.bv@kfintech.com](mailto:kishore.bv@kfintech.com)

## 10. 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. No Share transfer requests were received during the Financial Year 2021-22.

## 11. Distribution of Shareholdings

The distribution of shareholding as on as on 31.03.2022 is given as under:

The distribution of shareholding according to category as on 31.03.2022

ARCHIDPLY INDUSTRIES LIMITED					
DISTRIBUTION SCHEDULE AS ON 31/03/2022					
Sno	Category	Cases	% of Cases	Amount	% Amount
1	upto 1 - 5000	9416	83.08	12701950.00	6.39
2	5001 - 10000	932	8.22	7516490.00	3.78
3	10001 - 20000	536	4.73	7977650.00	4.02
4	20001 - 30000	161	1.42	4189880.00	2.11
5	30001 - 40000	70	0.62	2537440.00	1.28
6	40001 - 50000	58	0.51	2770840.00	1.39
7	50001 - 100000	96	0.85	7024900.00	3.54
8	100001 & ABOVE	65	0.57	153930850.00	77.49
	<b>Total:</b>	<b>11334</b>	<b>100.00</b>	<b>198650000.00</b>	<b>100.00</b>

ARCHIDPLY INDUSTRIES LIMITED				
SHARE HOLDING PATTERN AS ON 31/03/2022				
Sno	Description	Cases	Shares	% Equity
1	CLEARING MEMBERS	22	16326	0.08
2	H U F	351	327391	1.65
3	BODIES CORPORATES	46	136389	0.69
4	NON RESIDENT INDIANS	90	113840	0.57
5	NRI NON-REPATRIATION	38	25317	0.13
6	PROMOTERS BODIES CORPORATE	4	8274626	41.65
7	PROMOTER HUF	1	20000	0.10
8	PROMOTER COMPANIES	1	2827850	14.24
9	PROMOTER INDIVIDUALS	3	2105605	10.60
10	COMPANY PROMOTERS	2	655442	3.30
11	RESIDENT INDIVIDUALS	10776	5362214	26.99
	<b>Total:</b>	<b>11334</b>	<b>19865000</b>	<b>100.00</b>

## 12. Dematerialization of Shares and liquidity.

As on 31.03.2022, of the shareholding were held in dematerialized form as per details mentioned below:

ARCHIDPLY INDUSTRIES LIMITED				
CONTROL REPORT AS ON 31/03/2022				
Sno	Description	No of Holders	Shares	% To Equity
1	PHYSICAL	21	70175	0.35
2	NSDL	5076	17121509	86.19
3	CDSL	6237	2673316	13.46
	<b>Total:</b>	<b>11334</b>	<b>19865000</b>	<b>100.00</b>

The demat ISIN of the Company's equity shares is INE877101016.

### 13. Outstanding GDRs/ADRs/Warrants or any convertible instruments

There were no outstanding GDRs/ADRs/ Warrants or any other Convertible Instruments as on 31.03.2022.

### 14. Commodity price risk or foreign exchange risk and hedging activities:

The Company has foreign exchange exposure towards imports, and exports of the Company Foreign exchange exposure is partially hedged through natural hedging & forward contracts on import.

### 15. Details of non-compliance

Financial Year	Particulars
2021-22	Nil
2020-21	Nil
2019-20	Nil

### 16. Plant locations

Rudrapur	Plot No. 7, Sector 9, Integrated Industrial Estate, SIDCUL, Pant Nagar, Udham Singh Nagar, Uttarakhand - 263153
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### 17. Address for correspondence

#### Registered Office:

#### ARCHIDPLY INDUSTRIES LTD

Plot No. 7, Sector-9, Integrated Industrial Estate, SIDCUL, Pantnagar, Udham Singh Nagar, Uttarakhand -263153

PH: 05944-250270, FAX: 05944-250269

E-mail: [info@archidply.com](mailto:info@archidply.com); [cs@archidply.com](mailto:cs@archidply.com) Website: [www.archidply.com](http://www.archidply.com)

### 18. List of all credit ratings obtained by the Company:

During the financial year 2021-22, 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.

Brickwork Ratings had reaffirmed the rating of BWRBBB / Stable/ A3+for the bank loan facilities of Rs 81.90 Crs of Archidply Industries Ltd. on 30 Jun 2021.

### 19. Other Disclosures

- (a) The Company does not have materially significant related party transactions that may have potential conflict with the interests of listed entity at large; The necessary disclosures of related party transactions has been made.
- (b) There has been no non-compliance by the Company and no penalties, strictures imposed on the Company by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;
- (c) The Company has establishment of vigil mechanism, whistle blower policy, and it is affirmed that no personnel has been denied access to the audit committee;
- (d) The Company has complied with all the mandatory requirements as prescribed in the SEBI Listing Regulations and the Companies Act, 2013; the Company has not adopted the non- mandatory requirements;
- (e) The Company has no material subsidiaries;



- (f) The policy on related party transactions is available on the website www.archidply.com
- (g) There is no commodity price risks and commodity hedging activities taken by the Company.
- (h) The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).
- (i) a 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 directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed to this Report.
- (j) During the financial year 2021-22, there was no instances where the board had not accepted any recommendation of any committee of the board which is mandatorily required.
- (k) Total fees for all services paid by the Company to the statutory auditor

a) Statutory Audit Fee	Rs. 4,00,000
b) Fees for other statutory certifications	Rs. 1,23,000
Total	Rs. 5,23,000

- (l) During the year in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
- a. number of complaints filed during the financial year : nil
- b. number of complaints disposed of during the financial year: nil
- c. number of complaints pending as on end of the financial year.: nil

20. 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.

**21. Disclosures with respect to demat suspense account/unclaimed suspense account:**

S.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	9	3225
2	Number of shareholders to whom shares were transferred from Suspense Account during the year	0	0
3	Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the end of the year	9	3225

**Affirmation regarding Compliance with the Code of Conduct**

In terms of the Listing Regulations, I hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the respective Codes of Conduct, as applicable to them for the year ended March 31, 2022.

For Archidply Industries Limited

Rajiv Daga

(Managing Director & CEO)

Place: Bangalore

Date: 09<sup>th</sup> August, 2022

**CERTIFICATE OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER ON**  
**CORPORATE GOVERNANCE AS PER REGULATION 33 OF**  
**SEBI (LODR) REGULATION 2015.**

The Board of Directors

M/s. Archidply Industries Limited

We have reviewed the financial statements and the cash flow statement of Archidply Industries Limited for the financial year 2021-22 and certify that:

a) These statements to the best of our knowledge and belief:

I. Do not contain any materially untrue statements or omit any material facts or contain statements that might be misleading:

II. Present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) To the best of our knowledge and belief, there are no transactions entered into by the Directors and Senior Management Personnel 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 have evaluated the effectiveness of the internal control systems of the Company for such reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies, if any, in the design or operation of such internal controls, of which we are aware of and the steps taken and/or proposed to be taken to rectify these deficiencies.

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

(i) Significant changes in Internal Controls with respect to financial reporting during the year.

(ii) Significant changes in accounting policies during the Year and these have been disclosed in the notes to the financial statements.

e) To the best of our knowledge and belief, there are no instances of significant fraud involving either the management or employees having a significant role in the Company's internal control systems with respect to financial reporting.

**Rajiv Daga**

**(Managing Director & CEO)**

**Anil Sureka**

**(Chief Financial Officer)**

**Place : Bangalore**

**Date : 09th August, 2022**

**CERTIFICATE ON CORPORATE GOVERNANCE****TO THE MEMBERS OF  
ARCHIDPLY INDUSTRIES LIMITED**

Plot No 7, Sector-9, Integrated Industrial Estate, Sidcul, Pant Nagar,  
Rudrapur Udham Singh Nagar Uttarakhand - 263153

We have examined the compliance of conditions of Corporate Governance by Archidply Industries Limited for the year ended on March 31, 2022, as stipulated in Clause E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations").

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI(LODR)Regulation 2015 for the year ended on March 31,2022

We state that, there was no investor grievance pending against the company for a period exceeding one month.

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

For **RAJNEESH SHARMA & CO,**

**COMPANY SECRETARIES**

**(RAJNEESH SHARMA)**

Proprietor

FCS: 5549; CP No: 24210

UDIN: F005549D000795250

PR No.1771/2022

Place :Delhi

Date: 9<sup>th</sup> August,2022

## ANNEXURES “ E” TO DIRECTORS’ REPORT

Particulars Pursuant to Section 197(12) of the Companies Act, 2013 and the Rules made thereunder:

- (i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial year :

<b>Executive Directors</b>	<b>Ratio to Median Remuneration</b>
Mr. Deen Dayal Daga	12.09
Mr. Shyam Daga	12.09
Mr. Rajiv Daga	12.22

- (ii) Percentage increase in the remuneration of the Directors, Managing Director & CFO, Joint Managing Director & CEO and Company Secretary in the Financial Year:

<b>Directors, Managing Director &amp; CFO, Joint Managing Director &amp; CEO and Company Secretary</b>	<b>% increase in the remuneration in the Financial year</b>
Mr. Deen Dayal Daga, Chairman	00.00%
Mr. Shyam Daga, Executive Director	00.00 %
Mr. Rajiv Daga, Managing Director & CEO	00.00 %
Mr. Anil Sureka, CFO	9.27 %
Mr. Atul Krishna Pandey, Company Secretary	10.00%

- (iii) The percentage increase in the median remuneration of employees in the financial year : 10%
- (iv) The number of permanent employees on the rolls of the company: 348
- (v) Average percentile increases 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: Average remuneration of employees (non-managerial) increased by 10% (including the promotional increase) in FY22 and for managerial employees average remuneration increased by 9.63% in FY22.
- (vi) Affirmation that the remuneration is as per the Remuneration Policy of the Company: It is affirmed that the remuneration paid is as per the Remuneration Policy, applicable for Directors, Key Managerial Personnel and other employees, adopted by the Company.

**For and on behalf of the Board of Directors**

**Deen Dayal Daga**  
(Chairman)

**Place: Bangalore**

**Date: 09th August, 2022**

## Management Discussion and Analysis Report

### World Economic Review

The Global growth is projected to slowdown from an estimated 6.1% in 2021 to 3.6% in 2022 and 2023 mainly attributable to the Russia-Ukraine conflict, continued COVID-19 flare-ups, frequent and wider ranging lockdowns in China including in key manufacturing hubs, diminished fiscal support, and lingering supply bottlenecks. These events have resulted in worldwide inflationary pressure and disruptions in supply chain. Higher, broader, and more persistent price pressures have also led to a tightening of monetary policy in many countries including India. Overall risks to economic prospects have risen sharply and policy trade-offs have become even more challenging.

A tentative recovery in 2021 has been followed by increasingly gloomy developments in 2022 as risks began to materialize. Global output contracted in the second quarter of this year, owing to downturns in China and Russia, while US consumer spending undershot expectations. Several shocks have hit a world economy already weakened by the pandemic: higher-than-expected inflation worldwide—especially in the United States and major European economies—triggering tighter financial conditions; a worse-than-anticipated slowdown in China, reflecting COVID-19 outbreaks and lockdowns; and further negative spillovers from the war in Ukraine.

Global growth is expected to decline to 3.3% over the medium term, beyond 2023 due to sustained inflationary pressure driven by the conflict-induced energy & commodity price increases and broadening price pressures. Gradual resolution of supply-demand imbalances and a modest pickup in labour supply is slowly expected to ease price inflation, though uncertainty prevails. Further escalation in conflict, may deteriorate global supply-demand balances, and further increases in commodity prices. Central banks have started with the first round of interest rate hike and are expected to remain aggressive throughout 2022. (Source: IMF)

### Indian Economy

The Indian economy has fully recovered to the pre-pandemic real GDP level of 2019-20, according to the provisional estimates of GDP released on May 31, 2022. Real GDP growth in FY 2021-22 stands at 8.7%, which is 1.5% higher than the real GDP in FY 2019-20. These figures are associated with stronger growth momentum, indicating increased economic demand. The investment rate in the fourth quarter increased to its highest level in the previous nine quarters. Moreover, capacity utilisation in the manufacturing sector rose in the fourth quarter, as against the third quarter, implying a build-up in demand, which is consistent with the growth objectives of the Indian economy.

There were a number of positive features of the Indian economy during the year under review.

India has emerged as the fastest-growing major economy in the world, and is expected to be one of the top three economic powers globally over the next 10-15 years, backed by its robust democracy and strong partnerships.

The country's manufacturing sector grew an estimated 12.5%, the agriculture sector 3.9%, mining and quarrying by 14.3%, construction by 10.7% and electricity, gas and water supply by 8.5% in FY 2021-22.

India's FDI inflows have increased 20 times from 2000-01 to 2021-22. According to the Department for Promotion of Industry and Internal Trade (DPIIT), India's cumulative FDI inflow stood at US\$ 847.40 billion between April 2000-March 2022; this was mainly due to the government's efforts to improve the ease of doing business and relax FDI norms. The total FDI inflow into India from January to March 2022 stood at US\$ 22.03 billion, while the FDI equity inflow for the same period was US\$ 15.59 billion. The government approved 100% FDI for insurance intermediaries and increased FDI limit in the insurance sector from 49% to 74% in Union Budget 2021-22.

In 2021, India was the largest recipient of global remittances. The country received USD 87 billion during 2021, with the US being the largest source (20%). India's foreign exchange reserves stood at an all-time high of USD 642.45 billion as on September 3, 2021, crossing USD 600 billion in Forex Reserves for the first time.

India's per capita income was estimated to have increased 16.28% from Rs. 1.29 lac in 2020-21 to Rs. 1.50 lac in 2021-22 following a relaxation in lockdowns and increased vaccine rollout.

The Indian economy is projected to grow by 8% in FY23 (World Bank estimate), buoyed by tailwinds of consistent agricultural performance, flattening of the COVID-19 infection curve, increase in government spending, favourable reforms and an efficient rollout of the vaccine leading to a revival in economic activity.

### Global Furniture Market Overview

The global furniture market was estimated to be US\$634.53 billion in 2021 and is expected to grow at a CAGR of 7.9% to reach US\$939.61 billion in 2026. A variety of factors have fueled the industry's growth, including increased disposable income, the expansion of the real estate and hospitality industries, and consumer demand for luxury and premium furniture.

### Global MDF Market Overview

The global Medium Density Fiberboard Market is projected to grow from \$39.04 billion in 2021 to \$57.11 billion in 2028 at a CAGR of 5.6% in forecast period. The rising product application in the furniture and construction applications is expected to boost the product demand over the forecast period.

Consistent economic growth coupled with low-interest rates has led to an increase in building project approvals across the globe. The expansion of office infrastructure by companies to compete in the global market is driving the demand for furniture and interior design materials thereby, having a positive impact on the product demand.

Region-wise, the Asia-Pacific region dominated the global MDF market in 2021, accounting for more than 60% of the total market. Rising construction activities in China, India, and Japan is driving up demand for MDF in the region. Going forward, the region is expected to lead the global MDF market during the forecast period

(Source: Fortune business insights, Grand view Research)

### **Global Plywood Market Overview**

The global plywood market is expected to be valued at US\$80.5 billion in 2022 and grow at a CAGR of 6.1% to reach a valuation of US\$115 billion by 2028. Keeping in mind the uncertainties of COVID-19, we are continuously tracking and evaluating the direct as well as the indirect influence of the pandemic on different end use sectors.

Increment of 10 bps in the growth rate is anticipated owing to growing construction of residential and commercial buildings along with increasing interior designing.

(Source: Future market insights, Imarc group)

### **Global laminates market overview**

The global decorative laminates market reached a value of US\$ 41.7 Billion in 2021 and to reach US\$ 54.3 Billion by 2027, exhibiting at a CAGR of 4.39% during 2022-2027.

The rising consumer living standards supported by their increasing per capita expenditure on home decor is one of the key factors driving the market growth for decorative laminates. In line with this, there is a growing inclination towards aesthetically appealing designs in home interiors and corporate office spaces, which is also catalyzing the product demand.

Additionally, there is a rising demand for decorative laminates in hotels, hospitals, shopping malls, airports, educational institutions, and other commercial infrastructures owing to the wide availability of designs, colors, textures, etc. Apart from this, the rapid utilization of decorative interior products in gymnasiums, convention centers, indoor sports clubs, auditoriums, etc., further fuels the market growth.

(Source: Imarc group)

## **INDIAN MARKET OVERVIEW**

### **Indian Furniture Market Overview**

The Indian Furniture Market stood at USD23.33 billion in FY2021 and is growing at a CAGR of 6.04% during the forecast period to reach the value of USD32.75 billion by FY2027.

India's growing population and the revival of the real estate sector are two key factors driving the country's furniture market.

The Indian government announced a number of incentives and concessions (interest rate subvention for one) to catalyse home ownership.

Increasing urbanization and growing demand for eco-friendly furniture products are expected to create attractive growth opportunities for the growth of the home furniture segment.

(Source: globenewswire)

### **Indian MDF market overview**

In India, MDF has penetrated all the regions in terms of market presence and is rapidly advancing in terms of both consumer demand as well as production capacity. The production capacity has grown by more than 12x from 0.15 million CBM in 2010 to 1.8-1.9 million CBM in 2021. Further, it is expected to witness a CAGR of 20-25% in the period 2021-2030.

The Indian Furniture Industry (especially the residential and home furnishing segments) continues to be dominated by plywood. Globally, the MDF to plywood consumption ratio is 80:20, but in India, the ratio is skewed in favour of the plywood at 20:80. This number suggests that there is enough room for the growth of MDF in the country in the future.

According to Industry experts, it is estimated that the MDF: Plywood ratio in India will improve to 50:50 by 2030. This presents a strong growth potential for the MDF industry in India. It is expected to gain market share of low & medium grade plywood (which constitute 85% of the plywood market in India).

### **Indian plywood market overview**

The India plywood market reached a value of INR 195.8 Billion in FY 2021-22 and expects the market to reach INR 297.2 Billion by 2027-28, exhibiting a CAGR of 7.4% during 2022-23 to 2027-28.

The introduction of numerous initiatives by the Indian government, such as Pradhan Mantri Awas Yojana, DDA Housing Scheme, NTR Housing Scheme, etc., to promote the development of housing projects in the country is also fueling the product



demand. Additionally, a significant growth in the furniture industry, coupled with the improving consumer living standards, are further augmenting the demand for high-quality and premium plywood variants.

(Source: Imarc group)

### **OPPORTUNITIES AND THREATS**

The India furniture industry is predicted to witness a healthy growth in the forecast period. This growth can be attributed to the heightened demand for home furniture, fuelled by the increasing population and rapid urbanisation in the region, about 35% of India's population is urban; by 2050, 400 million more are expected to become urban dwellers. By 2030, the proportion of India's urban population is expected to increase to 40% even as the population becomes larger. This is leading to rising investments in infrastructure renovation activities, with consumers increasingly adopting aesthetic furniture solutions. In addition, the growing disposable incomes and improved living standards are also driving consumers to invest in household décor enhancement solutions. These factors are projected to aid the market growth in the forecast period.

Home affordability in India at decade best in 2021. For most part of last 5-6 years, residential prices corrected leading to better affordability, however, the recent reduction in home loan rate to below 6.5% has been a deciding factor in significant improvement in home affordability in the last 24 months. Also, Over the last decade housing market has undergone a structural transformation on both demand as well as supply side. This has made the environment for home buying relatively attractive and safe. This translates into higher demand for interior and furniture products.

Despite of all these positive factors there are threats in the form of dumping, import of low-cost products from overseas, increasing number of manufacturers in both organized as well as unorganized sectors, volatile market, may recede the projected growth.

Global and market dynamics factors may lead to an impact in consumer demand and sharp inflation in commodity prices could create risks.

As your company's brand is well established in the market and pan India presence with dedicated channel partners nationwide for more than four decades and emphasis on quality and manufacturer of eco friendly products serve as the tools to withstand competition and move forward and achieve the estimated growth.

### **1. Financial Performance**

The following are relevant financial performance details with respect to the operational performance of the Company.

Salient features relating to the Profit & Loss Account:

(Rs. In Lakhs)

<b>Particulars</b>	<b>2021-22</b>	<b>2020-21</b>
Revenue from Operations	30628.33	23084.50
Other Income	89.54	52.59
<b>Total Income</b>	<b>30717.87</b>	<b>23137.09</b>
Profit Before Financial expenses & Depreciation	2033.92	1363.97
Less: Depreciation & Amortization Expenses	402.86	419.83
Less: Finance Costs	467.58	477.56
<b>Profit before tax</b>	<b>1163.48</b>	<b>466.58</b>
Taxation	316.00	241.00
<b>Profit after tax</b>	<b>847.47</b>	<b>225.58</b>
Other Comprehensive Income	15.29	73.91
<b>Total Comprehensive Income</b>	<b>862.76</b>	<b>299.49</b>

During the year the Company has achieved a turnover of Rs. 30628.33 lakhs and earns profit before taxes [PBT] of Rs. 1163.48 lakhs and profit after taxes of Rs. 847.47 lakhs.

### **Segment Reporting**

The Company has identified two segments viz a) Wood based product b) Paper based product, which have been identified in line with IND AS 108 on Operating segment reporting taking into account organizational structure as were as differential risk and return of these segments.

Details of the Products included in each segment are as under:

- i) Wood based products: Plywood, Block Board, Flush Doors etc
- ii) Paper based products: Laminate Sheets (HPL)

(Amount in Lakhs)

Particulars	Wood Based		Paper Based		TOTAL	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
External Sales	17,139.72	13,058.79	13,428.32	9,954.59	30,568.03	23,013.39
Other Sales	-	-	-	-	-	-
Royalty Income	59.88	35.96	-	-	59.88	35.96
Other Operating Income	-	-	-	-	0.41	35.15
Total Revenue	<b>17,199.60</b>	<b>13,094.75</b>	<b>13,428.32</b>	<b>9,954.59</b>	<b>30,628.33</b>	<b>23,084.50</b>
<b>RESULTS</b>						
Segment Results	4,875.05	3,122.81	3,773.30	3,220.93	<b>8,648.35</b>	<b>6,343.74</b>
Interest	-	-	-	-	467.58	477.56
Other Unallocable Income	-	-	-	-	149.83	123.70
Other Unallocable Expenditure	-	-	-	-	7,167.12	5,523.31
Provision for Taxation	-	-	-	-	316.00	241.00
Net Profit after tax	-	-	-	-	<b>847.48</b>	<b>225.58</b>
<b>OTHER INFORMATION</b>						
<b>Assets</b>						
Segment Assets	9,420.27	8,865.60	8,378.55	7,829.67	17,798.81	16,695.27
Unallocable Assets	-	-	-	-	2,130.43	2,315.44
<b>Total Assets :</b>	-	-	-	-	<b>19,929.24</b>	<b>19,010.71</b>
<b>Liabilities</b>						
Segment Liabilities	2,985.86	2,399.42	2,339.31	1,829.06	5,325.17	4,228.48
Unallocable Liabilities	-	-	-	-	14,604.06	14,782.22
<b>Total Liabilities :</b>					<b>19,929.24</b>	<b>19,010.71</b>
Capital Expenditure during the year.	9.41	33.65	89.17	83.86	98.58	117.51
Capital Expenditure during the year Unallocable	-	-	-	-	30.93	777.51
Depreciation and Amortization	81.36	75.86	194.99	181.16	276.35	257.02
Depreciation and Amortization (Unallocable)	-	-	-	-	126.51	162.81

**Key Financial Ratios**

Particulars	31.03.2022	31.03.2021	Deviation	
Debt Service Coverage Ratio	1.41	1.70	-16.71%	
Interest service Coverage Ratio	3.49	1.98	76.44%	*
Debt Equity Ratio	0.58	0.77	-24.05%	
Current Ratio	1.44	1.39	3.90%	
Long Term Debt to Working Capital	0.02	0.19	-91.60%	#
Bad Debts to Accounts Receivable Ratio	0.01	0.04	-61.74%	\$
Current Liability Ratio	0.96	0.91	4.45%	
Total Debts to Total Assets	0.27	0.34	-20.08%	
Debtors Turnover Ratio	4.04	3.23	24.99%	
Inventory Turnover Ratio	7.92	5.78	37.17%	^
Operating Margin(%)	5.03%	3.86%	30.32%	*
Net Profit Margin(%)	2.77%	0.98%	183.16%	*
Return on Equity Ratio	0.10	0.03	268.26%	*
Return on Capital Employed	0.11	0.06	74.86%	*

\* Due to increase in Profit during the year

# Due to repayment of Long term debts during the year

\$ Due to less Bad debt

^ Due to better Inventory management

**Outlook**

The Company's outlook remains same as stated earlier, that is to enhance the capacity utilization of the existing installed capacity across various product lines. Your company looks to increase the capacity utilization thus improve the bottom line.

The company capitalized the post-pandemic demand recovery, driven by increasing disposable incomes among consumers, preference for better living and working standards (residential and commercial), lower price-sensitivity, increased interiors-pride and a shift in the market preference from the unorganized to organized sector.

**2. Risks and Concerns**

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

Slowdown in Demand, Market Dynamics, Competition risk, Resources availability, customer attrition risk, unpredictable economy, volatile business environment, credit risk and cheaper product availability are the various identifiable risks along with uncontrollable external factors. However, your company can respond and cautiously manage these risks by resorting to a conservative business policy and diligent business practices.

**3. Internal Control Systems and their adequacy**

The guidelines are set by the Board of Directors who are responsible for the internal control system. They verify its adequacy, effectiveness and application thereafter. The Company's internal control system is designed to ensure management efficiency, measurability and verifiability, reliability of accounting and management information, compliance with all applicable laws and regulations, and the protection of the Company's assets. This is to timely identify and manage the Company's operational, compliance-related, economic and financial risks.

The Company's internal control systems play an important role and acts as a supplement to the external control systems. Your company has appointed an internal auditor to streamline the system and has adequate internal control systems to maintain accuracy in accounting and financial transactions and comply with rules and regulations.

The internal control systems of the Company are monitored and evaluated by internal auditor and their finding & observations' are reviewed by the Audit Committee.

**4. Human Capital**

The Company's Industrial relations at all the levels remained cordial throughout the year. The Company periodically conducts skill enhancement training for its human capital.

**5. Cautionary Note**

Important factors such as economic developments within the country, demand and supply conditions of the industry, input prices, changes in Government regulations, tax laws and other factors such as litigation and industrial relations, influence the Company's operations. This may lead to the Company's projections and approximate estimates to dispose them as "forward looking statements".

Though, these qualitative aspects are usually set in the framework meaning of applicable securities laws and regulations. The actual results may sometimes materially differ from those expressed or implied.

**FOR AND ON BEHALF OF THE BOARD  
Of ARCHIDPLY INDUSTRIES LIMITED**

**Place: Bangalore**

**Date: 09th August 2022**

**Deen Dayal Daga  
(Chairman)**

## INDEPENDENT AUDITOR'S REPORT

To the Members of

**M/S. ARCHIDPLY INDUSTRIES LIMITED**

**Report on the Audit of the Standalone Financial Statements**

### Opinion

We have audited the accompanying Standalone financial statements of **M/s. Archidply Industries Limited** ("**the Company**") which comprises the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its Profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addresses the matter is provided in that context.

The Company has certain significant open legal proceedings under arbitration for various complex matters with the Government of India and other parties, continuing from earlier years, which are as under :

- a) On account of Demerger of Plywood & Block Board and Particle & laminated board (both divisions) of The Mysore Chipboards Limited in to the Company in the financial year 2007-08:
  - Claim against the Company from various parties who had filed a civil suit for recovery of dues/damages against The Mysore Chip Board Ltd. which has been disputed by The Mysore Chip Board Ltd. (Refer Note 34(A)(i))
  - The Company, for and on behalf of The Mysore Chip Board Ltd. has given a guarantee towards a show cause notice issued by the Excise Department demanding dues from The Mysore Chip Board Ltd. (Refer Note 34(A)(ii))

The Company has received demand from Income Tax Department and Company has filed an appeal against the same. (Refer Note 34 (F and G))

Due to the complexity involved in these litigation matters, management's judgment regarding recognition and measurement of provisions for these legal proceedings is inherently uncertain and might change over time as the outcomes of the legal cases and determined. Accordingly it has been considered as a Key Audit Matter.

Our Audit procedures included and were not limited to the following :

- Discussion with the management on the development in these litigations during the year ended March 31,2022
- Review of the disclosures made by the Company in the Financial Statements in this regard.
- Obtained representation letter from the management on the assessment of these matters.

### Information other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexure to the Board's Report, but does not include the financial statements and our auditor's report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information 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, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Responsibility of Management and Board of Director's for the Standalone Financial Statements**

The Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting standards (Ind AS) prescribed under section 133 of the Act, read with the Companies (Indian Accounting standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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, application, implementation and maintenance of appropriate of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

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

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 system 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 the 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 auditor's 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including other Comprehensive Income, Statement of changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting standards) Rules, 2015
  - e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our Report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - h) The Company has disclosed the impact of pending litigations which could impact its financial position as mentioned in note no.34 to Financial Statement.
- I. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- II. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.
- III. a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other source or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
  - directly or indirectly lender invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- b. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether,
  - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and



c. Based on audit procedures as we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause iv(a) and iv(b) contain any material mis-statement.

v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

h. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

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) of the Act which are required to be commented upon by us.

**For Priti Jhavar & Co.**

**Chartered Accountants**

**FRN: 328818E**

**(Priti Jhavar)**

**Proprietrix**

**(Membership Number.303053)**

**UDIN:22303053AJHMWY3193**

**Place: Bangalore**

**Date: 20-05-2022**

**Annexure –A to the Independent Auditors’ Report on the standalone financial statements of Archidply Industries Limited for the year ended 31 March 2022**

The Annexure 1 referred to in Independent Auditors’ Report ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of **M/s. Archidply Industries Limited** (“the Company”) on the standalone financial statements for the year ended 31 March 2022, we report that:

- (i) (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment;  
 (B) The company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the company, these Properties, Plant & Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (c) 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 (other than immovable property where the company is the Lessee and the lease agreements are duly executed in favour of the Lessee).
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not revalued its Property, Plant and Equipment during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the company, there are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) On basis of information and explanation given to us, Physical verification of Inventory has been conducted at reasonable intervals by the management. Procedure of physical verification of Inventory followed by the management is reasonable & adequate in relation to the size of company and nature of its business and no material discrepancies were noticed on physical verification of stocks as compared to book records that were 10% or more.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has been sanctioned working capital limits in excess of five crores rupees, in aggregate, from banks on the basis of security of current assets. The quarterly returns or statements filed by the company with such banks compare with the books of account of the company are as below:

Quarter	As per bank return	As per books of account	Difference	%age of Differences
Q1	5073.07	5077.88	4.81	0.09%
Q2	4963.31	4963.45	0.14	0.00%
Q3	4865.30	4867.85	2.55	0.05%
Q4	5119.98	5121.10	1.12	0.02%

- (iii) The Company has made Investments in companies during the year.
- (a) In respect of loans and Guarantee, Company has granted unsecured Loans and given Guarantee to its subsidiary and associates entity, during the year, as detailed below :

Particulars	Aggregate amount during the year	Balance outstanding at the Balance sheet date
Unsecured loan to Subsidiary	8.94 lakhs	8.94 lakhs
Corporate Guarantee to Bankers of Associate	2500 lakhs	2500 lakhs

- (b) In our opinion and on the basis of information and explanation given to us, the investments made and the terms and conditions of the grant of loans, and Guarantee given during the year are, prima facie, not prejudicial to the Company’s interest.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal has not been stipulated and no interest has been charged by the company.
- (d) As there is no stipulation about repayment of loan by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

- (f) The Company has granted loans and advances in the nature of loans which are repayable on demand or without specifying any terms or period of repayment during the year.
- (iv) In our opinion and according to the information and explanations given to us, the company has not provided any loans, guarantees, and Investments to which the provision of sec 185 of the act apply. However regarding loans, guarantees, and Investments to which the provision of sec 186 apply such Investments, loans and Guarantees are within the limit provided under Section 186 of the act.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any public deposits during the year to which section 73 to 76 or any other relevant provisions of the act are applicable. Accordingly, clause (v) of paragraph 3 of the order is not applicable to the company.
- (vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company. Accordingly, clause (vi) of paragraph 3 of the order is not applicable to the company.
- (vii) (a) According to the records of the company and information and explanations given to us and on the basis of our examination of the records of the company, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it, with the appropriate authorities.
- (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues in arrears /were outstanding as at 31 March, 2022 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, details of disputed Sales Tax, Income Tax, Customs Duty, Service Tax, Excise duty and Cess which have not been deposited as on 31st March, 2022 on account of any dispute are given below:

Name of Statute	Nature of the dues	Disputed amount pending (Amount in Lakhs)	Period to which the amount relates (Financial Years)	Forum where dispute is pending.
Central Excise Act	Excise duty	Rs.81.02 lakhs	2000-2003	CESTAT
Income Tax Act	Income Tax	Rs.648.53 lakhs	2014-2015	CIT Appellate – 1
Income Tax Act	Income Tax	Rs.80.33 lakhs	2019-2020	CIT Appellate – 1

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any loan or other borrowings or any interest due thereon to any lender.
- (b) In our opinion and according to the information and explanations given to us, the company has not been a declared wilful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.
- (d) In our opinion and according to the information and explanations given to us, there are no funds raised on short term basis which have been utilised for long term purposes.
- (e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) In our opinion and according to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. Therefore, the provisions of Clause (x)(a) of paragraph 3 of the order are not applicable to the Company.
- (b) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause (x)(b) of paragraph 3 of the order is not applicable to the company.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) During the year no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

- (c) As auditor, we did not receive any whistle-blower complaint during the year.
- (xii) In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company. Accordingly, clause (xii) of paragraph 3 of the order is 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, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (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 any non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of paragraph 3 of the order is not applicable to the company.
- (xvi) (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause (xvi)(a) and (b) of paragraph 3 of the order is not applicable to the company.
- (b) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (c) As per the information and explanations received, the group has 2 CIC as part of the group.
- (xvii) The company has not incurred cash loss in current financial year as well in immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanation given to us, there is no unspent amount under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) (a) and (b) of paragraph 3 of the order are not applicable to the Company.

**For Priti Jhavar & Co.**  
**Chartered Accountants**  
**FRN: 328818E**

**(Priti Jhavar)**  
**Proprietrix**  
**(Membership Number.303053)**  
**UDIN:22303053AJHMWY3193**

**Place: Bangalore**  
**Date: 20-05-2022**

### **Annexure - B to the Independent Auditors' Report**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Archidply Industries Limited of even date)

#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **M/s. Archidply Industries Limited** ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our Opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Priti Jhavar & Co.****Chartered Accountants****FRN: 328818E****(Priti Jhavar)****Proprietrix****(Membership Number.303053)****UDIN:22303053AJHMWY3193****Place: Bangalore****Date: 20-05-2022**

**Balance Sheet as at March 31st,2022 (Standalone)**

(Amount in Lakhs)

Particulars	Notes	As at 31.03.2022	As at 31.03.2021
<b>A. ASSETS</b>			
<b>1. NON-CURRENT ASSETS</b>			
(a) Property , plant and Equipment	2	4,268.46	4,608.43
(b) Capital Work-in Progress	2	0.00	11.69
(c) Goodwill	2	123.64	154.60
(d) Other Intangible Assets	2	9.87	11.61
(e) Investment Property		-	-
(f) Financial Assets			
i) Investments	3	77.74	15.09
ii) Loans	4	8.94	-
iii) Others	5	447.82	419.36
(g) Deferred tax Asset (Net)	6	146.91	114.99
(h) Other non current assets	7	116.02	173.19
<b>Total Non current assets</b>		<b>5,199.43</b>	<b>5,508.97</b>
<b>2. CURRENT ASSETS</b>			
(a) Inventories	8	5,121.10	4,577.84
(b) Financial Assets			
i. Trade Receivables	9	8,180.50	6,976.36
ii. Cash and cash equivalent	10	404.41	867.00
iii. Bank balances other than cash and cash equivalent	11	68.61	99.22
(c) Other current assets	12	955.19	981.32
<b>Total Current Assets</b>		<b>14,729.81</b>	<b>13,501.74</b>
<b>TOTAL ASSETS</b>		<b>19,929.24</b>	<b>19,010.71</b>
<b>B.EQUITY &amp; LIABILITIES</b>			
<b>1. EQUITY:</b>			
(a) Equity Share Capital	13	1,986.50	1,986.50
(b) Other Equity	14	7,240.06	6,377.30
<b>Total Shareholders Fund</b>		<b>9,226.56</b>	<b>8,363.80</b>
<b>2. NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
i. Borrowings	15	2.82	473.19
(b) Provisions	16	474.37	435.15
<b>Total Non-Current liabilities</b>		<b>477.19</b>	<b>908.34</b>
<b>3. CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
i. Borrowings	17	5,305.50	5,659.58
ii. Trade Payables	18		
Total Outstanding dues to Micro and small Enterprises		757.76	707.52
Total Outstanding dues to Creditors other than Micro and small Enterprises		2,999.98	1,877.84
iii. Other financial liabilities	19	421.38	665.28
(b) Short term Provisions	20	608.85	722.23
(c) Other Current Liabilities	21	99.52	89.14
(d) Current Income Tax Liabilities(Net)	22	32.50	16.97
<b>Total Current liabilities</b>		<b>10,225.48</b>	<b>9,738.56</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>19,929.24</b>	<b>19,010.71</b>

Notes from 01 to 44 form the integral part of Financial statements

On behalf of the board of directors,

Deen Dayal Daga  
Chairman  
DIN: 00497806

AS PER OUR REPORT OF EVEN DATE  
For Priti Jhawar & Co.  
Chartered Accountants  
Firm Reg. No. 328818E

Rajiv Daga  
Managing Director  
DIN:01412917

Shyam Daga  
Executive Director  
DIN: 00561803

Anil Sureka  
Chief Financial Officer  
PAN:AMBPS7168L

Atul Krishna Pandey  
Company Secretary  
M.No.: A47815

(Priti Jhawar)  
Proprietrix  
Membership No. 303053  
UDIN:22303053AJHMWY3193

Place: Bangalore  
Date : 20/05/2022



**Statement of Profit & Loss for the period March 31st, 2022 (Standalone)**

(Amount in Lakhs)

PARTICULARS	Schedule	Figures at the end of Current Reporting Period	Figures at the end of Previous Reporting Period
<b>INCOME :</b>			
Revenue From Operations	23	30,628.33	23,084.50
Other Income	24	89.54	52.59
<b>TOTAL INCOME</b>		<b>30,717.87</b>	<b>23,137.09</b>
<b>EXPENSES :</b>			
Cost of Goods consumed	25	13,548.64	8,905.59
Purchase of Stock In Trade	26	6,707.17	5,437.47
Changes in Inventories of Finished Goods, Work-in-process and stock-in-trade	27	(650.48)	847.48
Employee Benefit Expenses	28	2,662.17	2,293.79
Finance Cost	29	467.58	477.56
Depreciation & Ammortisation Expense	2	402.86	419.83
Other Expenses	30	6,416.45	4,288.80
<b>TOTAL EXPENSES</b>		<b>29,554.39</b>	<b>22,670.52</b>
<b>PROFIT BEFORE TAXATION</b>		<b>1,163.48</b>	<b>466.58</b>
<b>Tax Expenses:</b>			
Current Tax		345.00	142.00
Tax on BuyBack of Shares		-	166.44
Deferred Tax(Asset)/Liabilities	6	(29.00)	0.11
Taxes of earlier year		-	(67.55)
<b>PROFIT AFTER TAXATION FOR THE YEAR</b>		<b>847.47</b>	<b>225.58</b>
<b>Other Comprehensive Income</b>			
A i) Items that will not be reclassified to profit or loss			
Defined benefit plan actuarial gains/(losses)		11.62	58.96
ii) Income Tax relating to items that will not be reclassified to profit or loss		2.92	14.84
B i) Items that will be reclassified to profit or loss			
(Dimunision)/Increase in the value of Investment		0.74	0.11
ii) Income Tax relating to items that will not be reclassified to profit or loss		-	-
<b>Other Comprehensive Income net of tax</b>		<b>15.29</b>	<b>73.91</b>
<b>Total Comprehensive Income for the year, net of tax</b>		<b>862.76</b>	<b>299.48</b>
<b>Earning Per Share ( Rs.)</b>			
Basic & diluted		4.27	1.03

Notes from 01 to 44 form the integral part of Financial statements

On behalf of the board of directors,

Deen Dayal Daga  
Chairman  
DIN: 00497806

AS PER OUR REPORT OF EVEN DATE  
For Priti Jhawar & Co.  
Chartered Accountants  
Firm Reg. No. 328818E

Rajiv Daga  
Managing Director  
DIN:01412917

Shyam Daga  
Executive Director  
DIN: 00561803

Anil Sureka  
Chief Financial Officer  
PAN:AMBPS7168L

Atul Krishna Pandey  
Company Secretary  
M.No.: A47815

(Priti Jhawar)  
Proprietrix  
Membership No. 303053  
UDIN:22303053AJHMWY3193

Place: Bangalore  
Date : 20/05/2022

**Statement Of Cash Flow (Standalone)**

PARTICULARS	Amount in Lakhs FOR YEAR END- ED 31 MARCH, 2022	Amount in Lakhs FOR YEAR ENDED 31 MARCH, 2021
<b>A. Cash flows arising from operating activities</b>		
Net Profit/(Loss) Before Tax	1,163.48	466.58
<b>Add:</b> Depreciation	402.86	419.83
Interest Paid	467.58	477.56
Loss on Sale of Assets	26.01	2.03
<b>Less:</b> Other comprehensive (Income)/loss	(11.62)	(58.96)
	2,071.55	1,424.95
<b>Less:</b> Profit on sale of Investment	3.36	-
Interest Received	9.45	15.78
	<b>2,058.73</b>	<b>1,409.18</b>
<b>Operating profit before working capital changes</b>		
(Increase)/Decrease in Inventory	(543.26)	446.94
(Increase)/Decrease in Debtors	(1,204.14)	162.60
(Increase)/Decrease in Loans & Advances	54.74	703.16
(Increase)/Decrease in Other current assets	26.12	237.45
Increase/(Decrease) in Trade Payables	1,172.38	(488.08)
Increase/(Decrease) in Provisions	(74.16)	58.70
Increase/(Decrease) in other current liabilities	(17.06)	260.26
Cash flow from Operations	1,473.36	2,790.22
Payment of Income Tax	329.47	315.22
<b>Net Cash Flow from Operating Activities</b>	<b>1,143.89</b>	<b>2,475.00</b>
<b>B. Cash flows arising from Investment activities</b>		
Inflows:		
FD matured	30.61	-
Sale of Fixed Assets	73.29	8.31
Sale of Investment	18.44	-
Loans given received back	-	-
Interest Received	9.45	15.78
<b>Outflows:</b>		
Investment in Fixed Assets	129.51	883.33
Change in WIP	(11.69)	(3.09)
Loans given	8.94	-
FD Made with bank	26.03	86.76
Purchase of Investment	77.00	-
	<b>(97.99)</b>	<b>(942.91)</b>
<b>C. Cash flows arising from finance activities</b>		
Inflows:		
Proceeds from Loan	-	2,593.41
<b>Outflows:</b>		
Shares Bought back	-	814.00
Repayment of Loan	1,040.92	1,996.71
Interest paid	467.58	477.56
	<b>(1,508.49)</b>	<b>(694.86)</b>
<b>Cash flow from all activities-(A+B+C)</b>	<b>(462.59)</b>	<b>837.23</b>
<b>Add:</b> Cash & cash equivalents at beginning of the year	867.00	29.77
Cash & cash equivalents at the end of the year	404.41	867.00

Notes from 01 to 44 form the integral part of Financial statements

On behalf of the board of directors,

Deen Dayal Daga  
Chairman  
DIN: 00497806

AS PER OUR REPORT OF EVEN DATE  
For Priti Jhawar & Co.  
Chartered Accountants  
Firm Reg. No. 328818E

Rajiv Daga  
Managing Director  
DIN:01412917

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Chief Financial Officer  
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Atul Krishna Pandey  
Company Secretary  
M.No.: A47815

(Priti Jhawar)  
Proprietrix  
Membership No. 303053  
UDIN:22303053AJHMWY3193

Place: Bangalore  
Date : 20/05/2022

### Statement of changes in equity

#### 13. EQUITY SHARE CAPITAL

(Amount in Lakhs)

Balance as at April 1, 2021	Changes in Equity share capital due to prior period errors	Restated Balance as at April 1, 2021	Changes in Equity Share Capital during the year	Balance as at March 31, 2022
1,986.50	-	1,986.50	-	1,986.50

Balance as at April 1, 2020	Changes in Equity share capital due to prior period errors	Restated Balance as at April 1, 2020	Changes in Equity Share Capital during the year	Balance as at March 31, 2021
2,206.50	-	2,206.50	(220.00)	1,986.50

#### 14. OTHER EQUITY

(Amount in Lakhs)

Particulars	(As at 31st March 2022)					
	Share Premium	Retained Earnings	Other Comprehensive Income	Capital Subsidy	Capital Redemption reserve	Total Other Equity
Opening Balance	880.16	5,252.43	(5.29)	30.00	220.00	6,377.30
Add: Profit for the Period		847.47				847.47
Add: Other Comprehensive Income/(Loss)			15.29			15.29
Total Comprehensive Income for the period	880.16	6,099.91	9.99	30.00	220.00	7,240.06
<b>Closing Balance</b>	<b>880.16</b>	<b>6,099.91</b>	<b>9.99</b>	<b>30.00</b>	<b>220.00</b>	<b>7,240.06</b>

Particulars	(As at 31st March 2021)					
	Share Premium	Retained Earnings	Other Comprehensive Income	Capital Subsidy	Capital Redemption reserve	Total Other Equity
Opening Balance	1,474.16	5,246.86	(79.20)	30.00	-	6,671.82
Less: Shares bought back	594.00	220.00				814.00
Add: Profit for the Period		225.58	-		220.00	445.58
Add: Other Comprehensive Income/(Loss)			73.91			73.91
Total Comprehensive Income for the period	880.16	5,252.43	(5.29)	30.00	220.00	6,377.30
<b>Closing Balance</b>	<b>880.16</b>	<b>5,252.43</b>	<b>(5.29)</b>	<b>30.00</b>	<b>220.00</b>	<b>6,377.30</b>

Note: In the F.Y 2020-2021 Company has Bought back its 22,00,000 equity shares @Rs.37/- per share; the same has been paid off from Securities premium of the Company and a sum equal to the nominal value of the shares so purchased has been transferred to the capital redemption reserve account by transferring the same from Retained earning as required by section 69 of the Companies Act, 2013

Notes from 01 to 44 form the integral part of Financial statements

On behalf of the board of directors,

**Deen Dayal Daga**  
Chairman  
DIN: 00497806

**AS PER OUR REPORT OF EVEN DATE**  
For Priti Jhawar & Co.  
Chartered Accountants  
Firm Reg. No. 328818E

**Rajiv Daga**  
Managing Director  
DIN:01412917

**Shyam Daga**  
Executive Director  
DIN: 00561803

**Anil Sureka**  
Chief Financial Officer  
PAN:AMBPS7168L

**Atul Krishna Pandey**  
Company Secretary  
M.No.: A47815

**(Priti Jhawar)**  
Proprietrix  
Membership No. 303053  
UDIN:22303053AJHMWY3193

Place: Bangalore  
Date : 20/05/2022

**Note: - 1 SIGNIFICANT ACCOUNTING POLICIES****1. Corporate Information:**

Archidply Industries Limited (the 'Company') is a public limited company domiciled in India incorporated under the provisions of the Companies Act. Its shares are listed on two recognised stock exchanges in India. The registered office of the company is at Plot No. 7, Sector-9, Integrated Industrial Estate, SIDCUL, Pant Nagar, Rudrapur - 263 153, Uttarakhand, India.

Company is engaged in the business of manufacturing two broad product segments, as follows:

- i) **Wood Based Products:** Plywood, Block Board and Flush Doors etc.
- ii) **Paper Based Products:** Laminate Sheets(HPL)

It has branches and dealers' network spread all over the country. The Company is procuring raw material & trading goods locally as well as imports them. Goods are sold both in domestic and overseas markets.

The company's shares are listed in Bombay Stock Exchange Ltd.(BSE) and National Stock Exchange of India(NSE).

**2. Basis of preparation of Financial Statements:**

The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. The Financial Statements for year ended 31st March 2022 were prepared in accordance with Indian Accounting standards notified under the Company (Accounting Standards) Rules 2006 read with Rule 7(1) of the Companies (Accounts) Rules, 2014 and the provisions of the Companies Act, 2013 (hereinafter referred to as the 'previous GAAP').

The financial statements have been prepared under historical cost convention and on an accrual basis, except for the following items which have been measured as required by relevant Ind AS:

- a) Financial Instruments classified as fair value through other comprehensive income.
- b) The defined benefit loss/(profit) is recognized as at the present value of defined benefit obligation less fair value of plan assets through other comprehensive income.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The Company's management evaluates all recently issued or revised accounting standards on an on-going basis.

Where changes are made in presentation, the comparative figures of the previous years are regrouped and re-arranged accordingly.

**3. Accounting Estimates And Assumptions:**

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

**4. Equity****a) Ordinary Shares**

Ordinary shares are classified as Equity Share capital. Incremental costs directly attributable to the issuance of new shares and buyback are recognized as a deduction from equity, net of any tax effects.

**b) Capital redemption reserve**

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

**c) Securities Premium**

The amount received in excess of the par value of equity shares has been classified as securities premium. Amounts have been utilized for share buyback from share premium account.

**d) Retained Earnings**

Retained earnings represent the amount of accumulated earnings of the company.

## 5. Property, Plant and Equipment

- a) Property, Plant and Equipment are stated at original cost (net of tax/ duty credit availed) less accumulated depreciation and impairment losses except freehold land which is carried at cost. Cost includes cost of acquisition, construction and installation, taxes, duties, freight, other incidental expenses related to the acquisition, trial run expenses (net of revenue) and pre-operative expenses including attributable borrowing costs incurred during pre-operational period.
- b) Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.
- c) Assets which are not ready for their intended use on reporting date are carried as capital work-in-progress at cost, comprising direct cost and related incidental expenses.
- d) On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.
- e) Property, Plant and Equipments including continuous process plants are depreciated and/or amortized on the basis of their useful lives as notified in Schedule II to the Companies Act, 2013. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.
- f) Depreciation in respect of additions to assets has been charged on pro rata basis with reference to the period when the assets are ready for use. The provision for depreciation for multiple shifts has been made in respect of eligible assets on the basis of operation of respective units.
- g) Useful lives of the Property, Plant and Equipment as notified in Schedule II to the Companies Act, 2013 are as follows:
  - Buildings – 30 to 60 years
  - Plant and Equipments (Paper Division) - 15 years (Triple Shift)
  - Plant and Equipments (Other Division) - 15 years (Double Shift)
  - Furniture and Fixtures - 10 years
  - Vehicles - 8 to 10 years
  - Office Equipments - 5 to 10 years
  - Computers – 3 years

## 6. Intangible Assets

- a) Intangible assets acquired by payment e.g., Goodwill, Trademark and Computer Software are disclosed at cost less amortization on a straight-line basis over its estimated useful life.
- b) Intangible assets are carried at cost, net of accumulated amortization and impairment loss, if any.
- c) On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets
- d) Intangible assets are amortised on straight-line method as follows :
  - Goodwill – 20 years
  - Computer Software – 3 years
  - Trademark- 10 years

## 7. Investment Property

Investment Property are stated at original cost less accumulated depreciation and impairment losses except freehold land which is carried at cost. Cost includes cost of acquisition, construction and other incidental expenses related to the acquisition, trial run expenses (net of revenue) and pre-operative expenses including attributable borrowing costs incurred during pre-operational period.

However Company does not have any Investment Property as it is utilizing its Investment Property for Business purpose only.

## 8. Lease Property

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an

option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

#### 9. Impairment of Assets

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

During the year Company has recognized Rs. 24.28 lakhs as impairment loss on its assets as it has retired assets which were of no use and no realizable value.

#### 10. Inventories

- a) Inventories related to raw materials, packing materials, stores & spares are valued at cost on weighted average basis or net realizable value whichever is lower.
- b) Waste & scraps are valued at estimated realizable value.
- c) Materials in transit and Semi Finished goods are valued at cost or market value which ever is lower.
- d) Finished goods and process stock include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition.
- e) Finished goods are valued at cost or net realizable value whichever is lower. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.
- f) Obsolete, defective and unserviceable stocks are duly provided for.

#### 11. Cash Flow Statement

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company is segregated.

Cash and cash equivalents in the balance sheet comprise cash at bank, cash/cheques in hand and short term investments (excluding pledged term deposits) with an original maturity of three months or less.

#### 12. Financial Assets

The Company classifies its financial assets as those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss) and those to be measured at amortized cost.

Trade receivables represent receivables for goods sold by the Company upto to the end of the financial year. The amounts are generally unsecured and are usually received as per the terms of payment agreed with the customers and are classified under Current Assets.

A financial asset is de-recognized only when the Company has transferred the rights to receive cash flows from the financial asset, or when it has transferred substantially all the risks and rewards of the asset, or when it has transferred the control of the asset.

Investments that are readily realizable and intended to be held for not more than a year are classified as Current investments. All other investments are classified as Non-Current/Long-term Investments. Current investments are carried at lower of cost or market value on individual investment basis. Non- Current Investments are considered at cost, unless there is an "other than temporary" decline in value, in which case adequate provision is made for the

Diminution in the value of Investments.

Investments in Mutual Funds are considered at Market Value through other comprehensive income.

#### 13. Financial Liabilities:

Borrowings are recognized net of transaction costs incurred.

Borrowings are removed from balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the company has an Un-conditional right to defer settlement of the liability for at least 12 months after the reporting period.

Trade Payables represent liabilities for goods and services provided to the Company up to the end of the financial year. The amounts are unsecured and are usually paid as per the terms of payment agreed with the vendors. The amounts are presented as current liabilities unless payment is not due within 12 months after the reporting period.

#### 14. Tax Asset

Tax assets and Tax liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### 15. Revenue Recognition:

Revenue comprises of all economic benefits that arise in the ordinary course of activities of the Company which result in increase in Equity, other than increases relating to contributions from equity participants. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

**Sale of Goods:** Revenue from sales of goods is recognised on transfer of significant risks and rewards of ownership to the customers. Revenue shown in the Statement of Profit and Loss are inclusive of Excise Duty and the value of self-consumption, but excludes Goods & Service Tax(GST), inter-transfers, returns, trade discounts, other benefits passed to customers in kind, value added tax and Central sales tax.

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

**Interest:** Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

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

#### 16. Foreign Currency Transactions:

The Company's financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value is determined.

#### 17. Employee Benefits:

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

Post Employment and Retirement benefits in the form of Gratuity and Leave Encashment are considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972.

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

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

Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organisation established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. The Company pays provident fund contributions to publicly administered provident funds as per local regulations.

The Company has no further payment obligations once the contributions have been paid.



**18. 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.

General and specific borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets during the period of time that is required to complete and prepare the asset for its intended use. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use.

All other borrowing costs are expensed in the period in which they are incurred.

**19. Accounting for Taxes on Income:**

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

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

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profits against which the deductible temporary differences, and the carry forward unused tax credits and unused tax losses can be utilised.

Deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income. As such, deferred tax is also recognised in other comprehensive income.

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

**20. Contingent Liabilities & Contingent Assets:**

Contingent liabilities are not provided for but are disclosed by way of Notes on Accounts. Contingent liabilities is disclosed in case of a present obligation from past events

- (a) When it is not probable that an outflow of resources will be required to settle the obligation;
- (b) When no reliable estimate is possible;
- (c) Unless the probability of outflow of resources is remote.

Provisions are made when

- (a) The Company has a present legal or constructive obligation as a result of past events;
- (b) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (c) A reliable estimate is made of the amount of the obligation.

Contingent assets are neither accounted for nor disclosed by way of Notes on Accounts where the inflow of economic benefits is probable.

**21. Current And Non- Current Classification:**

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

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

An asset is current when it is

- (a) Expected to be realised or intended to be sold or consumed in normal operating cycle
- (b) Held primarily for the purpose of trading
- (c) Expected to be realised within twelve months after the reporting period
- (d) Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when

- (a) It is expected to be settled in normal operating cycle
  - (b) It is held primarily for the purpose of trading
  - (c) It is due to be discharged within twelve months after the reporting period
  - (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.

**22. Corporate social responsibility (CSR) Activity**

In case of CSR activities undertaken by the Company, if any expenditure of revenue nature is incurred or an irrevocable contribution is made to any agency to be spent by the latter on any of the activities mentioned in Schedule VII to the Companies Act, 2013, the same is charged as an expense to its Statement of Profit and Loss and if any extra material amount has been done the same has been carried forward as current asset.

SPACE LEFT INTENTIONALLY

NOTE :- 2 Property Plant &amp; Equipment

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	ORIGINAL	ADDITION	SALES/RE-TIRED	TOTAL	UP TO	FOR THE PRD	DEPRECIATION	TOTAL	AS ON	AS ON	
	COST AS ON	01.04.2021 to	01.04.2021 to	GROSS	01.04.2021	01.04.2021 to	ADJUSTMENT	DEPRECIATION	31.03.2022	31.03.2021	
01.04.2021	31.03.2022	31.03.2022	31.03.2022	31.03.2022	01.04.2021 to	31.03.2022	ON SALES	31.03.2022			
<b>A) TANGIBLE ASSETS:</b>											
FREE HOLD LAND	1,565.57	6.83	62.65	1,509.76	-	-	-	-	1,509.76	1,565.57	
BUILDINGS	2,046.04	10.97	9.42	2,047.60	831.10	82.24	5.48	907.86	1,139.74	1,214.95	
PLANT AND MACHINERIES	4,692.06	99.94	148.66	4,643.34	3,044.97	246.74	130.96	3,160.75	1,482.59	1,647.09	
ELECTRICAL EQUIPMENTS	4.01	-	-	4.01	0.41	0.13	-	0.54	3.47	3.60	
FURNITURES AND FIXTURES	240.40	1.29	71.56	170.13	152.19	16.47	61.98	106.68	63.45	88.21	
OFFICE EQUIPMENTS	67.88	6.50	31.94	42.45	54.61	4.47	30.31	28.77	13.67	13.27	
COMPUTERS	100.55	3.97	57.63	46.90	89.60	4.92	54.72	39.80	7.11	10.96	
VEHICLES	162.23	-	4.93	157.30	97.44	15.73	4.54	108.63	48.67	64.79	
<b>SUB TOTAL (A)</b>	<b>8,878.76</b>	<b>129.51</b>	<b>386.78</b>	<b>8,621.49</b>	<b>4,270.33</b>	<b>370.69</b>	<b>287.99</b>	<b>4,353.02</b>	<b>4,268.46</b>	<b>4,608.43</b>	
<b>B) INTANGIBLE ASSETS:</b>											
GOODWILL	618.39	-	-	618.39	463.79	30.95	-	494.75	123.64	154.60	
PROGRAM AND APPLICATION	136.14	-	10.29	125.86	128.62	0.72	9.77	119.56	6.29	7.53	
TRADEMARK	5.00	-	-	5.00	0.92	0.50	-	1.42	3.58	4.08	
<b>SUB TOTAL (B)</b>	<b>759.54</b>	<b>-</b>	<b>10.29</b>	<b>749.25</b>	<b>593.33</b>	<b>32.17</b>	<b>9.77</b>	<b>615.73</b>	<b>133.52</b>	<b>166.21</b>	
<b>C) CAPITAL WORK IN PROGRESS</b>											
CAPITAL WIP	11.69	-	11.69	0.00	-	-	-	-	0.00	11.69	
<b>TOTAL</b>	<b>9,649.99</b>	<b>129.51</b>	<b>408.76</b>	<b>9,370.73</b>	<b>4,863.65</b>	<b>402.86</b>	<b>297.76</b>	<b>4,968.75</b>	<b>4,401.98</b>	<b>4,786.34</b>	
Previous year	8,791.06	895.03	36.09	9,649.99	4,454.79	419.83	10.97	4,863.65	4,786.34	4,336.27	

Note: During the year ended March 31, 2022, certain assets which were old and have no realisable value having Net book value of Rs.24.28 lakhs (Gross book value of rs. 314.30 lakhs) were retired and shown as impairment loss in the books.

Details of Assets Retired during the year are as follows:

Particulars	Gross Value	Net Value
Buildings	9.42	3.93
Plant and Machineries	135.10	6.61
Office Equipment	31.76	1.45
Furniture	70.49	8.89
Computers	57.25	2.89
Program	10.29	0.51
<b>Total</b>	<b>314.30</b>	<b>24.28</b>

## Statement of changes in equity

(Amount in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Note 3: Investments</b>		
<b>a Investment in Equity Shares</b>		
Quoted Investments		
Housing & Urban Development Corporation(HUDCO) (NIL(PY 200 shares)	-	0.12
Less:Dimunision in Value	-	0.03
	-	<b>0.09</b>
	-	<b>0.09</b>
<b>b Investment in 100% Subsidiary</b>		
Archidpanel Industries Private Limited (1 lakh equity shares of Rs. 10/- face value)	10.00	-
	10.00	-
<b>c Investments in Mutual Fund</b>		
(Carried at Fair value through other Comprehensive Income)		
Baroda Equity Savings Fund- Regular Growth (C.Y NIL (P.Y 149985 units ))	-	15.00
SBI Balanced Advantage Fund-Regular Growth (6,57,419.886 units having NAV value as on 31.03.2022 Rs.10.3046)	67.00	-
Less:Dimunision/(Increase) in Value	(0.74)	-
	<b>67.74</b>	<b>15.00</b>
	<b>77.74</b>	<b>15.09</b>
<b>Note 4: Loans &amp; Advances</b>		
<b>Unsecured, Considered Good</b>		
Loan to Subsidiary	8.94	-
	<b>8.94</b>	-
<b>Note 5: Other Non-Current Financial Assets</b>		
i)Security Deposits	175.89	173.45
ii)Security Deposits - Related Party	225.00	225.00
iii) Balance With Banks		
- Bank Deposit for Margin Money (Maturity period more then 12 months)	46.94	20.91
	<b>447.82</b>	<b>419.36</b>
<b>Note 6: Deferred Tax Assets</b>		
Opening Deferred Tax Asset	114.99	100.26
Deferred tax (Liability)/Asset arising in current year on account of timing difference		
1. Depreciation	21.10	15.24
2. Gratuity	8.33	(8.34)
3. Leave Encashment	5.51	(30.31)
4. Provisions	(3.02)	38.14
	31.92	14.73
	<b>146.91</b>	<b>114.99</b>

**Note 7: Other Non-Current Assets**

a	Capital Advances		
	For Plant & Machinery	0.74	8.27
		<b>0.74</b>	<b>8.27</b>
b	Advances Other than Capital Advances		
	i) Other Advances		
	- Balance With Revenue Authorities	7.14	59.16
	- Income Tax Refund Receivable	108.14	105.77
		115.28	164.93
	<b>Total Other Non Current Assets</b>	<b>116.02</b>	<b>173.19</b>

**Note 8: Inventories**

(As taken, valued and certified by the management)

Raw Materials	1,757.18	1,855.68
Finished Goods	3,101.81	2,451.32
Stores, Spares & Consumption	262.11	270.84
	<b>5,121.10</b>	<b>4,577.84</b>

**Note 9: Trade Receivables**

Unsecured

-Considered Good*	8,205.46	6,875.70
-Significant increase in risk	126.01	263.64
-Credit Impaired	-	-
Less: Allowances for Credit loss	150.98	162.97
	<b>8,180.50</b>	<b>6,976.36</b>

\*(includes Related Party 11.90 lakhs (P.Y Nil))

Particulars	Less than 6 months	6months to 1 year	1-2 years	2-3 years	More than 3 years	Total as on 31.03.2022
<b>a Unsecured ; Undisputed</b>						
-Considered Good	7,861.13	118.50	115.96	2.57	6.31	8,104.47
-Significant increase in risk	10.29	46.42	6.08	29.74	16.53	109.06
-Credit Impaired	-	-	-	-	-	-
<b>b Unsecured ; Disputed</b>						
-Considered Good	12.47	25.54	19.17	25.14	18.67	100.99
-Significant increase in risk				4.22	12.73	16.95
-Credit Impaired				-	-	-
Less: Allowances for Credit loss						150.98
	<b>7,883.89</b>	<b>190.45</b>	<b>141.22</b>	<b>61.66</b>	<b>54.25</b>	<b>8,180.50</b>

	Less than 6 months	6months to 1 year	1-2 years	2-3 years	More than 3 years	Total as on 31.03.2021
<b>a Unsecured ; Undisputed</b>						
-Considered Good	6,592.58	128.23	53.45	8.10	20.97	6,803.33
-Significant increase in risk	126.06	3.58	56.68	19.57	7.84	213.73
-Credit Impaired	-	-	-	-	-	-
<b>b Unsecured ; Disputed</b>						
-Considered Good	0.13	-	42.91	18.84	10.48	72.37
-Significant increase in risk	-	-	15.09	17.21	17.61	49.91
-Credit Impaired	-	-	-	-	-	-
Less: Allowances for Credit loss						162.97
	<b>6,718.77</b>	<b>131.81</b>	<b>168.13</b>	<b>63.71</b>	<b>56.90</b>	<b>6,976.36</b>

The above outstanding is from date of transaction of sales.

#### Note 10: Cash & Cash Equivalents

##### a Balances with Banks

- Balances in current accounts	-	361.82
- Balances in Fixed Deposit	400.00	500.00

##### b Cash in hand

	4.41	5.18
	<b>404.41</b>	<b>867.00</b>

#### Note 11: Bank balances other than Cash & Cash Equivalents

Deposit for Margin Money	68.61	99.22
	<b>68.61</b>	<b>99.22</b>

#### Note 12: Other Current Assets

##### a Advances to Related Parties

- Assam Timbers Pvt. Ltd.	77.32	-
- Archidply Decor Ltd.	-	647.49

##### b Others

Prepaid Expenses	69.60	59.50
Balance With Revenue Authorities	100.29	61.44
Advance for Supply of Goods/Services	56.11	52.43
Other Receivable*	396.04	-

\*(includes Insurance Receivable of Rs. 394.99 lakhs (P.Y Nil))

Other Advances	255.84	160.46
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(includes Related Party Nil (P.Y 11 lakhs))

	<b>955.19</b>	<b>981.32</b>
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#### Note 13: Equity Share Capital

<b>AUTHORISED</b>		
250,00,000 Equity Shares of Rs. 10.00 each (P.Y 250,00,000 Equity Shares of Rs. 10 each)	2,500.00	2,500.00
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
198,65,000 Equity Shares of Rs. 10.00 each (Previous year 198,65,000 shares of Rs.10 each)	1,986.50	1,986.50
	<b>1,986.50</b>	<b>1,986.50</b>

**a. Details of the Shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of Shareholder	As at 31.03.2022		As at 31.03.2021	
	No of Shares	% of Shares	No of Shares	% of Shares
Assam Timber Products Pvt Ltd	22,55,786	11.36	21,15,786	10.65
Vanraj Suppliers Pvt Ltd	39,43,509	19.85	39,43,509	19.85
Ravi Marketing Services Pvt Ltd	28,27,850	14.24	28,27,850	14.24
The Mysore Chipboards Limited	17,97,431	9.05	17,97,431	9.05

**b. Reconciliation of number of shares outstanding at beginning & end of the reporting period.**

Particular	As at 31.03.2022	As at 31.03.2021
Outstanding as at beginning of the reporting period	1,98,65,000	2,20,65,000
Add: Shares issued during the year	-	-
Less: Shares extinguished on buy-back	-	22,00,000
Outstanding as at end of the Reporting period	1,98,65,000	1,98,65,000

**c. The Company has only one class of equity shares having a par value of Rs.10 per share. Each Shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. However, no such preferential amounts exist currently.**

**d. Disclosure of Shareholding of Promoters**

Name of Shareholder	No of Shares as at 31.03.2022	% of Shares	% change during the year	No of Shares as at 31.03.2021	% of Shares
Shyam Daga	5,73,685	2.89	-	5,73,685	2.89
Sangeeta Bharadia	4,100	0.02	-	4,100	0.02
Deendayal Daga	7,71,620	3.88	-	7,71,620	3.88
Usha Daga	7,60,300	3.83	-	7,60,300	3.83
Deendayal Daga (HUF)	20,000	0.10	-	20,000	0.10
Rajiv Daga	6,51,342	3.28	-	6,51,342	3.28
Assam Timber Products Pvt Ltd	22,55,786	11.36	6.62	21,15,786	10.65
Vanraj Suppliers Pvt Ltd	39,43,509	19.85	-	39,43,509	19.85
Ravi Marketing Services Pvt Ltd	28,27,850	14.24	-	28,27,850	14.24
The Mysore Chipboards Ltd	17,97,431	9.05	-	17,97,431	9.05
Shree Shyam Tea Pvt Ltd	2,77,900	1.40	-	2,77,900	1.40
	<b>1,38,83,523</b>	<b>69.89</b>	<b>6.62</b>	<b>1,37,43,523</b>	<b>69.18</b>

**e. Equity shares movement during the 5 years preceding March 31, 2022**

Equity shares extinguished on buy-back

In the Financial year 2020-2021, the Company has bought back its 22,00,000 equity shares @Rs.37/- per share amounting to Rs. 814 lakhs being 9.97% of the total equity share. The equity shares bought back were extinguished on March 17, 2021.



**Note 15: Financial Non-Current Borrowings****a. Secured**

Term Loans - Vehicle*	6.52	18.73
Term Loans - Business#	-	405.04
Term Loans - COVID 19 Demand##	65.48	335.07
	<b>72.00</b>	<b>758.84</b>

Particulars	Final repayment	As at 31st March 2022	As at 31st March 2021
Term Loans - Vehicle*			
- HDFC Bank Ltd.	Sep-23	2.27	3.62
- HDFC Bank Ltd.	Apr-24	4.25	6.27
- HDFC Bank Ltd.	Feb-22	-	8.84
Term Loans - Business#			
- State Bank of India	Sep-23	-	405.04
Term Loans - COVID 19 Demand##			
- State Bank of India	Jun-22	65.48	335.07
		72.00	758.84
Less: Current maturities of long term debt		69.19	285.65
		<b>2.82</b>	<b>473.19</b>

(\*Secured by certain vehicles, term loan repayable within 3 to 5 years in equal monthly installments)

(#Secured by fixed assets of Rudrapur unit, term loan repayable within 20 quarterly installments commencing from December 2018 but Company has cleared the same loan on 30.03.2022)

(##Secured by fixed assets of Rudrapur unit, term loan repayable within 18 months starting from December 2020 in equal monthly installments)

**Note 16: Provisions****Provision for Employee Benefits**

Provision for Gratuity	380.45	347.33
Less: Short Term Provision	99.83	91.40
	280.61	255.94
Provision for Leave Encashment	285.00	263.10
Less: Short Term Provision	91.24	83.89
	193.76	179.21
	<b>474.37</b>	<b>435.15</b>

**Note 17: Financial Current Borrowings****a. Secured****Repayable on demand**

Bank overdraft/Cash Credit	5,305.50	5,659.58
	<b>5,305.50</b>	<b>5,659.58</b>

Particulars	As at 31st March 2022	As at 31st March 2021
State Bank Of India*	3,400.63	3,401.23
HDFC Bank#	1,904.86	2,258.35
	<b>5,305.50</b>	<b>5,659.58</b>

(\*Secured by 1st Pari Passu charge on entire current assets Stock and book debts of the company both present and future and Collateral charge 1st Pari Passu on fixed assets both present and future of the company and personal guarantee of promoter directors.)

(#Working capital loan from HDFC Bank is Secured by 1st Pari passu charge on entire Current assets of the company both present and future and Collateral security 1st Pari Passu on fixed assets both present and future of the company and personal guarantee of 2 Promoter Directors.)

**Note 18: Trade Payables\***

- Micro, Small & Medium	752.01	687.32
- Disputed Micro, Small & Medium	5.75	20.20
- Undisputed Creditors for Goods	2,633.81	1,503.75
- Undisputed Creditors for Services	366.17	374.09
	<b>3,757.74</b>	<b>2,585.36</b>

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total as on 31.03.2022
- Micro, Small & Medium	752.01	-	-	-	752.01
- Disputed Micro, Small & Medium	-	-	-	5.75	5.75
- Undisputed Creditors for Goods	2,633.65	-	-	0.15	2,633.81
- Undisputed Creditors for Services	365.06	1.11	-	-	366.17
(Includes Related Party Rs.15.63 lakhs)					
	<b>3,750.73</b>	<b>1.11</b>	<b>-</b>	<b>5.90</b>	<b>3,757.74</b>

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total as on 31.03.2021
- Micro, Small & Medium	685.32	2.00	-	-	687.32
- Disputed Micro, Small & Medium	8.50	5.96	5.75	-	20.20
- Undisputed Creditors for Goods	1,503.75	-	-	-	1,503.75
- Undisputed Creditors for Services	369.49	3.65	0.94	-	374.09
(Includes Related Party Rs.7.51 lakhs)					
	<b>2,567.06</b>	<b>11.61</b>	<b>6.69</b>	<b>-</b>	<b>2,585.36</b>

\* The above payable is from the date of purchase transaction.

**Note 19: Other Financial Liabilities**

Current Maturities of long term debt

- Term Loan	69.19	285.65
Statutory dues Payables	225.64	257.92
Other Payables*	126.56	121.71
	<b>421.38</b>	<b>665.28</b>

\*(It includes expenses payable)

**Note 20: Current Provisions****a. Provision for Employee Benefits**

Provision for Gratuity	99.83	91.40
Provision for Leave Encashment	91.24	83.89
Other Employee Provisions	255.82	281.89
(includes Related Party-NIL (P.Y 6.93 lakhs) )	<b>446.89</b>	<b>457.18</b>

**b. Others**

Cash Discount Payable	31.14	45.41
Other Expenses Payable	82.53	93.04
Sale Promotion Payable	-	5.26
Sales Commission Payable	-	5.56
Quality Complaint Payable	9.26	36.52
Provision for Scheme	39.02	79.27
	<b>161.95</b>	<b>265.05</b>
	<b>608.85</b>	<b>722.23</b>

**Note 21: Other Current Liabilities****a Income received in advance**

Advance from customers	86.47	83.14
(includes Related Party Rs.9.88 lakhs (P.Y NIL))	86.47	83.14

**b Others**

Security Deposit from Vendors	13.05	6.00
	13.05	6.00
	<b>99.52</b>	<b>89.14</b>

**Note 22: Current Income Tax Liabilities (Net)**

Provision for Tax	345.00	399.74
Less: Taxes Paid	312.50	382.77
(Net of Advance tax and TDS Receivable)	32.50	16.97
	<b>32.50</b>	<b>16.97</b>

**Note 23: Revenue From Operations****Sale of Products**

Manufactured Goods	22,362.02	16,498.94
Trading Goods	8,141.57	6,507.55
Other sales	64.45	6.90
	<b>30,568.03</b>	<b>23,013.39</b>

**Other Operating Revenue**

Royalty on use of brand name	59.88	35.96
Export Incentive	0.41	35.15
	60.30	71.11
	<b>30,628.33</b>	<b>23,084.50</b>

**Particular of Sale of Products**

Decorative Laminate	13,399.49	9,942.16
Plywood/Blockboard/Flush Doors	17,089.90	12,763.15
Others	78.64	308.08
	<b>30,568.03</b>	<b>23,013.39</b>

**Note 24: Other Income**

Interest Received	9.45	15.78
Dividend Received	0.00	0.00
Foreign exchange Gain	14.69	7.95
Balance written back	36.24	19.50
Profit on Sale of Investment	3.36	-
Prior Period Income	5.31	0.23
Other Non Operating Income	20.48	9.13
	<b>89.54</b>	<b>52.59</b>

**Note 25: Cost of Material Consumed****a Raw Material Consumed**

Opening Stock	1,855.68	1,514.57
Add: Purchases	13,450.14	9,246.70
Less: Closing Stock	1,757.18	1,855.68
	<b>13,548.64</b>	<b>8,905.59</b>

**Imported and Indigenous Raw Materials Consumed:**

	Year Ended 31.03.2022		Year Ended 31.03.2021	
	%	Amount	%	Amount
Imported	7.08%	959.76	3.32%	296.02
Indigenous	92.92%	12,588.87	96.68%	8,609.57
	<b>100.00%</b>	<b>13,548.64</b>	<b>100.00%</b>	<b>8,905.59</b>

**Break up of Raw Materials Consumed**

	Year Ended 31.03.2022		Year Ended 31.03.2021	
	Qty	Amount in lakhs	Qty	Amount in lakhs
Paper in Kgs	84,65,015	4,738.59	66,67,732	3,396.69
Timber in Cbm	33,005	2,730.13	25,900	2,106.73
Veener(incl own production) in sq. mtr	26,73,941	578.38	43,29,922	683.62
Core Veneer in Cbm	1,454	195.46	560	59.70
Chemicals in Kgs	79,29,659	4,833.72	63,55,727	2,499.51
Others		472.36	-	159.34
	<b>1,91,03,074</b>	<b>13,548.64</b>	<b>1,73,79,841</b>	<b>8,905.59</b>

**Note 26: Purchase of Stock in trade**

Plywood / Block Board / Flush Doors	6,707.17	5,437.47
	<b>6,707.17</b>	<b>5,437.47</b>

**Note 27: Changes in Inventory of Finished Goods, Work in Process & Stock in Trade****Inventories (at close)**

Finished Goods & WIP	3,101.81	2,451.32
Stock-in-Trade	-	-
<b>Inventories (at commencement)</b>		
Finished Goods & WIP	2,451.32	3,298.80
Stock-in-Trade	-	-
(Increase) / Decrease in Stock	(650.48)	847.48
(Increase) / Decrease in Stock	(650.48)	847.48

**Note 28: Employee Benefit Expenses**

Salaries and Wages	2,222.77	2,085.17
Director Remuneration	120.71	114.68
Contribution to and provisions for provident and other funds	291.07	67.48
Staff Welfare Expenses	14.88	9.93
Employee Insurance Expense	12.73	16.53
	<b>2,662.17</b>	<b>2,293.79</b>

Directors Remuneration, under Section 197 of the Companies Act, 2013 are as follows:

<b>Particulars</b>	<b>Year ended March 31st 2022 (Rs.)</b>	<b>Year ended March 31st 2021 (Rs.)</b>
Salary & Perks	115.20	110.40
Sitting Fees	5.10	4.05
Club Membership	0.41	0.23
	<b>120.71</b>	<b>114.68</b>

**Note 29: Finance Cost**

Interest on Term Loans	31.08	70.53
Interest on Working Capital Borrowings	354.57	344.63
Other Interest	17.45	15.44
Bank Charges, LC Charges & Discounting Charges	31.40	23.06
Processing Charges	33.07	23.90
	<b>467.58</b>	<b>477.56</b>

**Note 30: Other Expenses****a Manufacturing Expenses**

Stores and Spares consumed *	468.39	297.97
Packing Charges	234.72	142.92
Processing Charges	661.35	463.91
Power and Fuel Consumed	999.50	483.70
Repairs to Plant and Machinery	18.02	19.11
Repairs to Building	3.03	2.64
Repairs to Others	4.26	3.05
	<b>2,389.25</b>	<b>1,413.30</b>

\*Imported and Indigenous Stores and Spare Parts Consumed:

Particulars	Year Ended 31.03.2022		Year Ended 31.03.2021	
	%	Amount	%	Amount
Imported	0.00%	-	0.00%	-
Indigenous	100.00%	468.39	100.00%	297.97
	<b>100.00%</b>	<b>468.39</b>	<b>100.00%</b>	<b>297.97</b>

**b Selling, Distribution, Administrative and Other Expenses**

Rent	204.06	196.61
Rates and Taxes	32.46	60.01
Printing and Stationery	4.74	3.66
Postage, Telephone and Telegram	36.06	40.28
Insurance	57.89	62.08
Legal, License and Professional Fees	131.61	57.31
Repairs & Maintenance Expenses	70.76	50.32
Auditors Remuneration	5.23	4.33
Advertisement	603.63	41.31
Travelling and Conveyance	207.91	153.66
Commission on Sales and Samples	125.92	34.22
Sample Folders Sales	246.51	226.41
Freight, Forwarding and Other Expenses	1,572.67	1,179.14
Vehicle Running Expenses	11.95	9.67
Sales Promotion Expenses	149.30	97.88
Discount & Rebates	310.95	269.21
Claims and Bad Debts Written Off	101.98	91.58
Provision for Bad Debts	-	159.55
CSR Discharged	13.22	25.81
Other Expenses	114.33	110.44
Loss on Retirement of Fixed Asset	11.80	-
Loss on Sale of Fixed Assets	14.21	2.03
	<b>4,027.20</b>	<b>2,875.50</b>
<b>Grand Total(a + b)</b>	<b>6,416.45</b>	<b>4,288.80</b>

**Note 31: Auditors Remuneration**

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
a) Statutory Audit Fee	4.00	4.00
b) Tax Audit Fee	1.00	-
c) For Others Fee	0.23	0.33
<b>Total</b>	<b>5.23</b>	<b>4.33</b>

**Note 32: Value of Imports on CIF basis in respect of**

Particulars	Year Ended 31.03.2022		Year Ended 31.03.2021	
	%	Amount	%	Amount
i) Raw Materials	94.16%	1,114.72	100.00%	1,222.14
ii) Stores and Spare Parts	0.10%	1.18	0.00%	-
iii) Capital Goods	5.74%	67.99	0.00%	-
<b>Total</b>	<b>100.00%</b>	<b>1,183.89</b>	<b>100.00%</b>	<b>1,222.14</b>

**Note 33a: Expenditure in Foreign Currency**

Import of Goods	1,183.90	1,591.82
	<b>1,183.90</b>	<b>1,591.82</b>

**Note 33b: Earnings in Foreign Currency**

Export of Goods (FOB value)	897.93	1,895.20
	<b>897.93</b>	<b>1,895.20</b>

**Note 34: Contingent Liabilities & Commitments (To the extent not provided for)****1 Contingent Liabilities**

A) On account of Demerger of Plywood & Block Board and Particle & Laminated Board (both divisions) of The Mysore Chipboards Limited in to the Company in the financial year 2007-08:

i) Various parties had filed a civil suit for recovery of dues/ damages against The Mysore Chipboards Limited, which has been disputed by The Mysore Chipboards Limited and had deposited an amount of Rs. 11.46 lakhs (P.Y. Rs. 11.46 lakhs) with Hon'ble High Court of Gujarat.	12.29	12.29
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ii) The Company, for and on behalf of The Mysore Chipboards Limited has given a guarantee towards a show cause notice issued by the Excise Department demanding a dues from The Mysore Chipboards Limited. However The Mysore Chipboards Limited had deposited an amount of Rs. 16 lakhs (P.Y. Rs. 16 lakhs) with Central Excise Department. The Mysore Chipboards Limited had filed an appeal & disputed the said demand and the demand has been reduced to Rs.81.01 lakhs (P.Y. Rs.81.01 lakhs) and the penalty of the same amount by Commissioner of Central Excise, Mysore on 05/10/2006. The Mysore Chip Board Ltd has filed an appeal to Custom, Excise & Service Tax Appellate Tribunal, Bangalore and obtained a stay order against that demand. The tribunal has remanded back the case to the Commissioner of Central Excise for taking fresh decision after following the principles of natural justice. The Department has filed the appeal before the Honourable Supreme Court against the order of the Tribunal.	81.02	81.02
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The same has been disposed of on 19th August, 2020 by Honourable Supreme Court, confirming the impugned orders of CESTAT setting aside the Ordersin-Original passed by the Adjudicating Authorities and remanding the matters back for readjudication with certain directions.

B) Guarantees given by the bank on behalf of the Company	149.97	86.11
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C) The Company has sold all the scrap and old machinery at its closed factory at Mysore toM/s Raad Iron. M/s Raad Iron has sold some portion of Scrap to Sidharth Impex, New Delhi. Siddharth impex has made the part payment of Rs. 10.50 lakhs to the Company on behalf of the Raad Iron and balance to the Raad iron. The scrap material was dispatched from the factory by Raad Iron but not received by Siddharth Impex. As Raad Iron was absconding , Sidharth Impex has filed the case of Rs. 15 lakhs against the Company. The matter in under the jurisdiction of the High Court, Delhi for final hearing and for the same Company has deposited Rs. 16.30 lakhs to Registrar General, High Court, Delhi.	15.00	15.00
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D) The Company has received demand from Income Tax Department of Rs. 13.45 lakhs for the AY 2018-19. The company has filed an appeal against the same which is pending with CIT Appellate 1	Nil	13.45
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E) The Company has received demand from Income Tax Department of Rs. 6.46 lakhs for the AY 2019-20. The company has filed an appeal against the same which is pending with CIT Appellate 1	Nil	6.46
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F) The Company has received demand from Income Tax Department of Rs. 648.53 lakhs for the AY 2015-16. The company has filed an appeal against the same which is pending with CIT Appellate 1	648.53	-
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G) The Company has received demand from Income Tax Department of Rs. 80.33 lakhs for the AY 2020-2021. The company has filed an appeal against the same which is pending with CIT Appellate 1	80.33	-
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H) The company has given Corporate Guarantee to both State Bank of India and HDFC Bank on behalf of Archidply Décor Ltd for providing credit facilities. 2,500.00 -

**Note: - 35 : Segment Reporting**

The Company has identified two segments viz a) Wood based product b) Paper based product, which have been identified in line with IND AS 108 on Operating segment reporting taking into account organizational structure as were as differential risk and return of these segments.

Details of the Products included in each segment are as under:

- i) Wood based products: Plywood, Block Board & Flush Door etc.
- ii) Paper based products: Laminated Sheets (HPL).

The segment information has been prepared in conformity with the Accounting Policies for preparing and presenting the financial statements of the Company.

Segment revenue and results includes manufacturing as well as trading activities for the same segment product. Segment current assets and liabilities are taken on the basis of the turnover of the segment.

The following table presents the information relating to profit, assets and liabilities of the operating segment. (Primary Segment) of the Company.

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

(Amount in Lakhs)

Particulars	Wood Based		Paper Based		TOTAL	
	As at	As at	As at	As at	As at	As at
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
External Sales	17,139.72	13,058.79	13,428.32	9,954.59	30,568.03	23,013.39
Other Sales	-	-	-	-	-	-
Royalty Income	59.88	35.96	-	-	59.88	35.96
Other Operating Income					0.41	35.15
<b>Total Revenue</b>	<b>17,199.60</b>	<b>13,094.75</b>	<b>13,428.32</b>	<b>9,954.59</b>	<b>30,628.33</b>	<b>23,084.50</b>
<b>RESULTS</b>						
<b>Segment Results</b>	<b>4,875.05</b>	<b>3,122.81</b>	<b>3,773.30</b>	<b>3,220.93</b>	<b>8,648.35</b>	<b>6,343.74</b>
Interest					467.58	477.56
Other Unallocable Income					149.83	123.70
Other Unallocable Expenditure					7,167.12	5,523.31
Provision for Taxation					316.00	241.00
<b>Net Profit after tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>847.48</b>	<b>225.58</b>
<b>OTHER INFORMATION</b>						
<b>Assets</b>						
Segment Assets	9,420.27	8,865.60	8,378.55	7,829.67	17,798.81	16,695.27
Unallocable Assets	-	-	-	-	2,130.43	2,315.44
<b>Total Assets :</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,929.24</b>	<b>19,010.71</b>
<b>Liabilities</b>						
Segment Liabilities	2,985.86	2,399.42	2,339.31	1,829.06	5,325.17	4,228.48
Unallocable Liabilities	-	-	-	-	14,604.06	14,782.22
<b>Total Liabilities :</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,929.24</b>	<b>19,010.71</b>
Capital Expenditure during the year.	9.41	33.65	89.17	83.86	98.58	117.51
Capital Expenditure during the year Unallocable	-	-	-	-	30.93	777.51
Depreciation and Amortization	81.36	75.86	194.99	181.16	276.35	257.02
Depreciation and Amortization (Unallocable)	-	-	-	-	126.51	162.81

**Secondary Segment Reporting:**

The Company has no reportable secondary segment.

**Note 36: Valuation of Gratuity****Actuarial Valuation Assumption Used for Valuation**

<b>Economic Assumptions</b>	<b>(Amount in Lakhs)</b>	
<b>Date of Valuation</b>	<b>31st March 2022</b>	<b>31st March 2021</b>
Discount Rate	6.95%	6.60%
Salary Escalation Rate	10.00%	10.00%
Expected Rate of Return on Assets	N.A.	N.A.
Attrition Rate	13.00%	13.00%
Retirement Age	58 Years	58 Years

<b>Amounts in Balance Sheet at Period-End</b>	<b>31st March 2022</b>	<b>31st March 2021</b>
Closing Defined Benefit Obligation	380.45	347.33
Closing Fair value of Plan Assets	-	-
Unrecognized Prior Service Cost	-	-
Limit under Para 59 (b)		
<b>Net Amount Recognized in Balance Sheet</b>	<b>380.45</b>	<b>347.33</b>

<b>Amounts Recognised in Statement of Profit &amp; Loss at Period-End</b>	<b>1st April 2021 to 31st March 2022</b>	<b>1st April 2020 to 31st March 2021</b>
Company Service Cost - CY	40.42	46.89
Interest Cost - CY	22.58	24.40
Expected Return on Assets - CY	-	-
Past Service Cost - CY	-	-
Actuarial (Gains)/Losses - CY	(11.62)	(58.96)
Other Adjustments - CY	-	-
<b>Net Periodic Benefit Cost/(Income) - CY</b>	<b>51.38</b>	<b>12.34</b>

<b>Current / Non Current Bifurcation</b>	<b>31st March 2022</b>	<b>31st March 2021</b>
Current Liability	99.83	91.40
Non Current Liability	280.61	255.94
<b>(Asset)/Liability Recognised in the Balance Sheet</b>	<b>380.45</b>	<b>347.33</b>

<b>Change in Defined Benefit Obligation during the period</b>	<b>1st April 2021 to 31st March 2022</b>	<b>1st April 2020 to 31st March 2021</b>
Opening Defined Benefit Obligation	347.33	380.48
Current Service Cost	40.42	46.89
Interest Cost	22.58	24.40
Plan Participants' Contributions	-	-
Actuarial (Gain)/Loss	(11.62)	(58.96)
Acquisition/Divestiture - L	-	-
Benefits Paid	(18.27)	(45.49)
Past Service Cost	-	-
Currency Impact	-	-
Curtailments	-	-
Settlements	-	-
<b>Closing Defined Benefit Obligation</b>	<b>380.45</b>	<b>347.33</b>

Reconciliation of Amounts Recognised in Balance Sheet	31st March 2022	31st March 2021
Op. Balance Sheet	347.33	380.48
P&L	51.38	12.34
Contributions/Benefits Paid	(18.27)	(45.49)
Acquisition / Divestiture	-	-
Other Adjustment	-	-
<b>Cl. Balance Sheet</b>	<b>380.45</b>	<b>347.33</b>

**Note: - 37 Corporate Social Responsibility (CSR) Activity**

CSR amount required to be spent as per section 135 of the companies Act, 2013 read with Schedule VII thereof by the company during the year is Rs 13.02 lakhs (Previous year Rs.25.24 lakhs (includes unspent amount of 2019-2020 of Rs.11.05 lakhs)) based on Average profit of last 3 years i.e. Rs.651.08 lakhs (Previous year Rs.709.65 lakhs).

During the year, the company has fulfilled its Corporate Social Responsibility by spending Rs. 13.22 lakhs (P.Y. Rs. 25.81 lakhs) towards corporate social responsibility (CSR) under Section 135 of the Companies Act, 2013 and rules thereon by way of contribution to Foundation for Schools project advance-based technology (Previous year towards education, disaster relief, COVID-19 relief and rural development projects).

**Note: - 38 Earning Per Share:**

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

Particulars	Year ended march 31 <sup>st</sup> 2022	Year ended march 31 <sup>st</sup> 2021
i) Net Profit After Tax (A) (Rs. in lakhs)	847.48	225.58
ii) Weighted Average number of Equity Shares (B)	19,865,000	21,974,589
iii) Face Value Per Equity Share (Rs.)	10	10
iv) Earning Per Share (A-B) (Rs) – Basic & Diluted	4.27	1.03

**Note: - 39 Financial Instruments**

During the year Company has given Corporate Guarantee for availing a loan facility on behalf of M/s Archidply Décor Ltd related concern of the Company to State Bank of India (10 crores) and HDFC Bank Limited (15 crores) for the credit facilities granted by them for the purpose of principal business activity of M/s Archidply Décor Ltd.

The same has been approved by board on August 11, 2021

**Note: - 40: Related Party**

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged. Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

Compensation includes all employee benefits i.e. all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered to the entity. It also includes such consideration paid on behalf of a parent of the entity in respect of the entity. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Disclosure as per Ind AS 24 "Related Party Disclosures" Issued by the Institute of Chartered Accountants of India is as follows:

**Subsidiary Company:**

Archidpanel Industries Private limited (100% subsidiary from 12/02/2022)

**Companies with significant influence:**

- 1 The Mysore Chipboards Ltd
- 2 Assam Timber Products Pvt Ltd

- 3 Shree Shyam Tea Pvt Ltd
- 4 Vanraj suppliers Pvt Ltd
- 5 Ravi Marketing Services Pvt Ltd
- 6 Wartayar Veneer Industries Ltd
- 7 Archidply Décor Ltd.
- 8 ADL Particles and Board MDF Pvt Ltd
- 9 ADL Panels Pvt Ltd
- 10 Archid Panel Product

**Key Management Personnel:**

- 1 Mr. Deendayal Daga – Chairman
- 2 Mr. Rajiv Daga – Managing Director
- 3 Mr. Shyam Daga – Executive Director
- 4 Mr. B.H Rathi- Independent Director (deceased 08/05/2021)
- 5 Mr. M.S Aftab- Independent Director
- 6 Mrs. Shanti V. Mallar- Independent Director
- 7 Mr. Pritam Singh - Independent Director (appointed on 18/06/2021)
- 8 Mr. Anil Sureka- Chief Financial Officer
- 9 Mr. Atul Krishna Pandey- Company Secretary

The Company has entered into transactions with related parties as listed below during the year under consideration. Full Disclosure has been made and the Board of Directors considers such transactions to be in normal course of business and at rates agreed between the parties. Details of transactions with related parties are as follows:

(Amount in Lakhs)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
<b><u>Transactions with related parties:</u></b>		
<b>Associate Companies</b>		
a) Purchase of goods		
- Assam Timber Products Pvt. Ltd.	329.20	1032.58
b) Royalties Received		
- Assam Timber Products Pvt. Ltd.	14.31	14.37
- Archidpanel Products	23.35	13.19
c) Lease Rent Paid		
- The Mysore Chipboards Ltd.	34.47	34.47
d) Rent Received		
- Archidply Decor Ltd.	1.20	1.20
e) Sale of goods		
- Archidply Decor Ltd.	128.54	766.4
<b>Key Management Personnel</b>		
a) Remuneration to Director paid*	115.60	110.62
b) Sitting fee paid	5.10	4.05
c) Remuneration to CFO	33.82	30.95
<b>Outstanding balances on date:</b>		
a) Director Remuneration Payable	Nil	6.93
b) Lease Rent	15.63	7.51

**Advance Received:**

- Archidply Décor Limited 9.88 Nil

**Receivable from Related Parties**

## a) Receivable

- Assam timber Products Pvt. Ltd. 77.32 Nil

- Archidply Décor Limited Nil 647.49

b) Other Receivable (Royalty and Rent) 11.90 11.00

## c) Loan to Subsidiary

- Archidpanel Industries Private Limited 8.94 Nil

## d) Lease Deposit

- The Mysore Chipboards Ltd. 225.00 225.00

**Investment**

a) Archidpanel Industries Private Limited 10.00 Nil

**Corporate Guarantee Given**

a) Archidply Decor Ltd. 2500.00 Nil

\*The above Remuneration is exclusive of Leave Encashment and Gratuity as the same is provided on Acturial Valuation done for company as a whole.

**Note: - 41 Unclaimed shares**

In terms of Clause 5A of the Listing Agreement with the Stock Exchange, the Company has opened the demat suspense account and has transferred the 3225 unclaimed shares of public issue to "Archidply Industries Limited Unclaimed Shares Suspense Account." The Voting rights on these shares will remain frozen till the rightful owner claims the shares.

	CY	PY
Opening Balance of the Shares in the DEMAT account	3225	3225
Closing Balance of the Shares in the DEMAT account	3225	3225

There was no Unclaimed Dividend (P.Y. NIL) and Unclaimed Share Application money (P.Y. NIL) that need to be transferred to Investor Education and Protection Fund during the year.

**Note: - 42 Micro, Small or Medium Enterprises**

The company has identified the suppliers who fall within the Micro, Small & Medium Enterprises Development Act 2006. The principal amount outstanding remaining unpaid to suppliers under the Micro, Small & Medium Enterprises Development Act 2006 as at 31-03-2022 is Rs. 7.58 crores (P.Y-Rs 7.08 crores).

However the company has not provided or calculated interest payable to MSMED suppliers for payments made after 45 days as per Micro, Small & Medium Enterprises Development Act 2006, as there is no claim by the MSME vendors for any interest and also they have not raised any objection.

**Note:- 43 Quarterly Returns submitted to Banks**

The company has been sanctioned working capital limits in excess of five crores rupees, in aggregate, from banks on the basis of security of current assets. Differences between Quarterly returns or statement filed by the company with banks and books of account are as follows:

Quarter	As per bank return	As per books of account	Difference	% Age of Differences
Q1	5073.07	5077.88	4.81	0.09%
Q2	4963.31	4963.45	0.14	0.00%
Q3	4865.30	4867.85	2.55	0.05%
Q4	5119.98	5121.10	1.12	0.02%

**Note 44: Additional Regulatory Information**

Serial no.	Particulars	Numerator	Denominator	31.03.2022	31.03.2021	Deviation	
a)	Debt Service Coverage Ratio	Earnings before Interest, Tax and Exceptional Items	Interest Expense + Principal Repayments made during the period for long term loans	1.41	1.70	-16.71%	
b)	Interest service Coverage Ratio	Earnings before Interest, Tax and Exceptional Items	Interest Expense	3.49	1.98	76.44%	*
c)	Debt Equity Ratio	Total Debt	Total Equity	0.58	0.77	-24.05%	
d)	Current Ratio	Current Assets	Current Liabilities	1.44	1.39	3.90%	
e)	Long Term Debt to Working Capital	Non-Current Borrowings (Including Current Maturities of Non-Current Borrowings)	Current Assets Less Current Liabilities (Excluding Current Maturities of Non-Current Borrowings)	0.02	0.19	-91.60%	#
f)	Bad Debts to Accounts Receivable Ratio	Bad Debts	Average Trade Receivables	0.01	0.04	-61.74%	\$
g)	Current Liability Ratio	Total Current Liabilities	Total Liabilities	0.96	0.91	4.45%	
h)	Total Debts to Total Assets	Total Debt	Total Assets	0.27	0.34	-20.08%	
i)	Debtors Turnover Ratio	Value of Sales & Services	Average Trade Receivables	4.04	3.23	24.99%	
j)	Inventory Turnover Ratio	Cost of Goods Sold (Cost of Material Consumed+ Purchases + Changes in Inventory + Manufacturing Expenses)	Average Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade	7.92	5.78	37.17%	^
k)	Operating Margin(%)	Earnings before Interest, Tax and Exceptional Items less Other Income	Value of Sales & Services	5.03%	3.86%	30.32%	*
l)	Net Profit Margin(%)	Profit After Tax (after exceptional items)	Value of Sales & Services	2.77%	0.98%	183.16%	*
m)	Return on Equity Ratio	Profit After Tax	Average Shareholder's Equity	0.10	0.03	268.26%	*
n)	Return on Capital Employed	Earnings before Interest, Tax and Exceptional Items	Capital Employed	0.11	0.06	74.86%	*

\* Due to increase in Profit during the year

# Due to repayment of Long term debts during the year

\$ Due to less Bad debt

^ Due to better Inventory management

## INDEPENDENT AUDITOR'S REPORT

**To the Members of**

**M/S. ARCHIDPLY INDUSTRIES LIMITED**

**Report on the Audit of the Consolidated Financial Statements**

### **Opinion**

We have audited the accompanying Consolidated financial statements of M/s. Archidply Industries Limited ("hereinafter referred to as "the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprises the Consolidated Balance Sheet as at March 31, 2022, 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 for the year then ended and notes to the 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, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2022, and its consolidated Profit, total comprehensive income, the consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirement that are relevant to our audit of the consolidated financial statement in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 2013 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 on the consolidated financial statement.

### **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. For each matter below, our description of how our audit addresses the matter is provided in that context.

The Group has certain significant open legal proceedings under arbitration for various complex matters with the Government of India and other parties, continuing from earlier years, which are as under :

- a) On account of Demerger of Plywood & Block Board and Particle & laminated board (both divisions) of The Mysore Chipboards Limited in to the Company in the financial year 2007-08:
  - Claim against the Company from various parties who had filed a civil suit for recovery of dues/damages against The Mysore Chip Board Ltd. which has been disputed by The Mysore Chip Board Ltd. (Refer Note 34(A)(i))
  - The Company, for and on behalf of The Mysore Chip Board Ltd. has given a guarantee towards a show cause notice issued by the Excise Department demanding dues from The Mysore Chip Board Ltd. (Refer Note 34(A)(ii))
- b) The Company has received demand from Income Tax Department and Company has filed an appeal against the same. (Refer Note 34 (F and G))

Due to the complexity involved in these litigation matters, management's judgment regarding recognition and measurement of provisions for these legal proceedings is inherently uncertain and might change over time as the outcomes of the legal cases and determined. Accordingly it has been considered as a Key Audit Matter.

Our Audit procedures included and were not limited to the following :

- Discussion with the management on the development in these litigations during the year ended March 31, 2022
- Review of the disclosures made by the Group in the Consolidated Financial Statements in this regard.
- Obtained representation letter from the management on the assessment of these matters.



### Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company Board's Report including Annexure to the Board's Report, but does not include the financial statements and our auditor's report thereon. The Holding Company's annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information 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, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### Responsibility of Management and Board of Director's for the Consolidated Financial Statements

The holding Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Indian Accounting standards (Ind AS) prescribed under section 133 of the Act, read with the Companies (Indian Accounting standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each Company and for preventing and detecting frauds and other irregularities; selection, application, implementation and maintenance of appropriate of 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 Consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 system 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 the 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 appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 auditor's report. However, future events or conditions may cause the group 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 entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements. We remain solely responsible for our audit opinion

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the group 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of aforesaid consolidated financial statement have been kept by the so far as it appears from our examination of those books.
  - c. The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including other Comprehensive Income, consolidated Statement of changes in Equity and the consolidated Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting standards) Rules, 2015
  - e. On the basis of the written representations received from the directors of the Holding company as on 31st March, 2022 taken on record by the Board of Directors of the holding company and on the basis of written representation received by the management of subsidiary company, none of the directors are disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our Report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.

- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group has disclosed the impact of pending litigations which could impact its financial position as mentioned in note no.34 to Consolidated Financial Statement.
  - ii. The Group did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group during the year ended 31<sup>st</sup> March, 2022.
  - iv. a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other source or kind of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
    - directly or indirectly lender invest in other persons or entities identified in any manner whatsoever("Ultimate Beneficiaries") by or on behalf of the Group or
    - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  - b. The management has represented, that, to the best of it's knowledge and belief, no funds have been received by the group from any person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the group shall, whether,
    - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or
    - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c. Based on audit procedures as we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause iv(a) and iv(b) contain any material mis-statement.
  - v. The Group has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
  - h. With respect to the matter to be included in the Auditor's Report under Section 197 (16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Group 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) of the Act which are required to be commented upon by us.

**For Priti Jhavar & Co.**  
**Chartered Accountants**  
**FRN: 328818E**

**(Priti Jhavar)**  
**Proprietrix**  
**(Membership Number.303053)**  
**UDIN: 22303053AJHNJS2373**

**Place: Bangalore**  
**Date: 20-05-2022**

**Annexure –A to the Independent Auditors’ Report on the Consolidated financial statements of Archidply Industries Limited for the year ended 31 March 2022**

The Annexure 1 referred to in Independent Auditors’ Report ‘Report on OtherLegal and Regulatory Requirements’ section of our report of even date to the members of **M/s. Archidply Industries Limited** on the Consolidated financial statements for the year ended 31 March 2022, we report that:

(xxi) In our opinion and according to the information and explanation given to us, in respect of the following company included in consolidated financial statements, the CARO report is not applicable to them and accordingly no reporting under this clause is made

<b>Name of Entities</b>	<b>CIN</b>	<b>Nature</b>
ARCHIDPANEL INDUSTRIES PRIVATE LIMITED	U20299UR2022PTC013589	Subsidiary

**For Priti Jhavar & Co.**  
**Chartered Accountants**  
**FRN: 328818E**

**(Priti Jhavar)**  
**Proprietrix**  
**(Membership Number.303053)**  
**UDIN: 22303053AJHNJS2373**

**Place: Bangalore**  
**Date: 20-05-2022**

### **Annexure - B to the Independent Auditors' Report**

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Archidply Industries Limited of even date)**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **M/s. Archidply Industries Limited** as of 31 March 2022 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

#### **Opinion**

In conjunction with our audit of the consolidated financial statements of **Archidply Industries Limited** hereinafter referred to as ("the Holding Company") as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to the consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, 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 2022, 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").

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Consolidated Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that

receipts and expenditures of the company are being made only in accordance with 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 consolidated financial statements.

**Inherent Limitations of Internal Financial Controls over Consolidated Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For Priti Jhavar & Co.**  
**Chartered Accountants**  
**FRN: 328818E**

**(Priti Jhavar)**  
**Proprietrix**  
**(Membership Number.303053)**  
**UDIN: 22303053AJHNJS2373**

**Place: Bangalore**  
**Date: 20-05-2022**

**Consolidated Balance Sheet as at March 31st, 2022**

(Amount in Lakhs)

Particulars	Notes	As at 31.03.2022
<b>A. ASSETS</b>		
<b>1. NON-CURRENT ASSETS</b>		
(a) Property, plant and Equipment	2	4,268.46
(b) Capital Work-in Progress	2	0.00
(c) Goodwill	2	123.64
(d) Other Intangible Assets	2	9.87
(e) Investment Property		-
(f) Financial Assets		
i) Investments	3	67.74
ii) Loans	4	-
iii) Others	5	447.82
(g) Deferred tax Asset (Net)	6	146.91
(h) Other non current assets	7	123.18
<b>Total Non current assets</b>		<b>5,187.64</b>
<b>2. CURRENT ASSETS</b>		
(a) Inventories	8	5,121.10
(b) Financial Assets		
i. Trade Receivables	9	8,180.50
ii. Cash and cash equivalent	10	414.41
iii. Bank balances other than cash and cash equivalent	11	68.61
(c) Other current assets	12	955.19
<b>Total Current Assets</b>		<b>14,739.81</b>
<b>TOTAL ASSETS</b>		<b>19,927.45</b>
<b>B.EQUITY &amp; LIABILITIES</b>		
<b>1. EQUITY:</b>		
(a) Equity Share Capital	13	1,986.50
(b) Other Equity	14	7,238.27
<b>Total Shareholders Fund</b>		<b>9,224.77</b>
<b>2. NON-CURRENT LIABILITIES</b>		
(a) Financial Liabilities		
i. Borrowings	15	2.82
(b) Provisions	16	474.37
<b>Total Non-Current liabilities</b>		<b>477.19</b>
<b>3. CURRENT LIABILITIES</b>		
(a) Financial Liabilities		
i. Borrowings	17	5,305.50
ii. Trade Payables	18	
Total Outstanding dues to Micro and small Enterprises		757.76
Total Outstanding dues to Creditors other than Micro and small Enterprises		2,999.98
iii. Other financial liabilities	19	421.38
(b) Short term Provisions	20	608.85
(c) Other Current Liabilities	21	99.52
(d) Current Income Tax Liabilities(Net)	22	32.50
<b>Total Current liabilities</b>		<b>10,225.48</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>19,927.45</b>
<b>Notes from 01 to 44 form the integral part of Consolidated Financial statements</b>		

On behalf of the board of directors,

Deen Dayal Daga  
 Chairman  
 DIN: 00497806

AS PER OUR REPORT OF EVEN DATE  
 For Priti Jhawar & Co.  
 Chartered Accountants  
 Firm Reg. No. 328818E

Rajiv Daga  
 Managing Director  
 DIN:01412917

Shyam Daga  
 Executive Director  
 DIN: 00561803

Anil Sureka  
 Chief Financial Officer  
 PAN:AMBPS7168L

Atul Krishna Pandey  
 Company Secretary  
 M.No.: A47815

(Priti Jhawar)  
 Proprietrix  
 Membership No. 303053  
 UDIN:22303053AJHMWY3193

Place: Bangalore  
 Date : 20/05/2022



**Consolidated Statement of Profit & Loss for the period March 31st, 2022**

(Amount in Lakhs)

PARTICULARS	Schedule	Figures at the end of Current Reporting Period
<b>INCOME :</b>		
Revenue From Operations	23	30,628.33
Other Income	24	89.54
<b>TOTAL INCOME</b>		<b>30,717.87</b>
<b>EXPENSES :</b>		
Cost of Goods consumed	25	13,548.64
Purchase of Stock In Trade	26	6,707.17
Changes in Inventories of Finished Goods, Work-in-process and stock-in-trade	27	(650.48)
Employee Benefit Expenses	28	2,662.17
Finance Cost	29	467.58
Depreciation & Ammortisation Expense	2	402.86
Other Expenses	30	6,418.24
<b>TOTAL EXPENSES</b>		<b>29,556.18</b>
<b>PROFIT BEFORE TAXATION</b>		<b>1,161.69</b>
<b>Tax Expenses:</b>		
Current Tax		345.00
Tax on BuyBack of Shares		-
Deferred Tax(Asset)/Liabilities	6	(29.00)
Taxes of earlier year		-
<b>PROFIT AFTER TAXATION FOR THE YEAR</b>		<b>845.69</b>
Other Comprehensive Income		
A i) Items that will not be reclassified to profit or loss		
Defined benefit plan actuarial gains/(losses)		11.62
ii) Income Tax relating to items that will not be reclassified to profit or loss		
		2.92
B i) Items that will be reclassified to profit or loss		
(Dimunision)/Increase in the value of Investment		0.74
ii) Income Tax relating to items that will not be reclassified to profit or loss		
<b>Other Comprehensive Income net of tax</b>		<b>15.29</b>
<b>Total Comprehensive Income for the year, net of tax of the group</b>		<b>860.97</b>
Profits Attributable To:		
Parent (To be trasferred to Balance Sheet)		860.97
Non-Controlling Interest		-
<b>Earning Per Share ( Rs.)</b>		<b>4.26</b>
Basic & diluted		
<b>Notes from 01 to 44 form the integral part of Consolidated Financial statements</b>		

On behalf of the board of directors,

Deen Dayal Daga  
 Chairman  
 DIN: 00497806

AS PER OUR REPORT OF EVEN DATE  
 For Priti Jhawar & Co.  
 Chartered Accountants  
 Firm Reg. No. 328818E

Rajiv Daga  
 Managing Director  
 DIN:01412917

Shyam Daga  
 Executive Director  
 DIN: 00561803

Anil Sureka  
 Chief Financial Officer  
 PAN:AMBPS7168L

Atul Krishna Pandey  
 Company Secretary  
 M.No.: A47815

(Priti Jhawar)  
 Proprietrix  
 Membership No. 303053  
 UDIN:22303053AJHMWY3193

Place: Bangalore  
 Date : 20/05/2022

## Consolidated Statement Of Cash Flow

PARTICULARS	FOR YEAR ENDED 31 MARCH, 2022	Amount in Lakhs
<b>A. Cash flows arising from operating activities</b>		
Net Profit/(Loss) Before Tax	1,161.69	
<b>Add:</b> Depreciation	402.86	
Interest Paid	467.58	
Loss on Sale of Assets	26.01	
<b>Less:</b> Other comprehensive (Income)/loss	(11.62)	
	2,069.76	
<b>Less:</b> Profit on sale of Investment	3.36	
Interest Received	9.45	
	2,056.95	
<b>Operating profit before working capital changes</b>		
(Increase)/Decrease in Inventory	(543.26)	
(Increase)/Decrease in Debtors	(1,204.14)	
(Increase)/Decrease in Loans & Advances	47.58	
(Increase)/Decrease in Other current assets	26.12	
Increase/(Decrease) in Trade Payables	1,172.38	
Increase/(Decrease) in Provisions	(74.16)	
Increase/(Decrease) in other current liabilities	(17.06)	
Cash flow from Operations	1,464.42	
Payment of Income Tax	329.47	
<b>Net Cash Flow from Operating Activities</b>	1,134.95	
<b>B. Cash flows arising from Investment activities</b>		
<b>Inflows:</b>		
FD matured	30.61	
Sale of Fixed Assets	73.29	
Sale of Investment	18.44	
Loans given received back	-	
Interest Received	9.45	
<b>Outflows:</b>		
Investment in Fixed Assets	129.51	
Change in WIP	(11.69)	
Loans given	-	
FD Made with bank	26.03	
Purchase of Investment	67.00	
	(79.04)	
<b>C. Cash flows arising from finance activities</b>		
<b>Inflows:</b>		
Proceeds from Loan	-	
<b>Outflows:</b>		
Shares Bought back	-	
Repayment of Loan	1,040.92	
Interest paid	467.58	(1,508.49)
<b>Cash flow from all activities-(A+B+C)</b>	(452.59)	
<b>Add:</b> Cash & cash equivalents at beginning of the year		867.00
Cash & cash equivalents at the end of the year		414.41

Notes from 01 to 44 form the integral part of Consolidated Financial statements

On behalf of the board of directors,

Deen Dayal Daga  
Chairman  
DIN: 00497806

AS PER OUR REPORT OF EVEN DATE  
For Priti Jhawar & Co.  
Chartered Accountants  
Firm Reg. No. 328818E

Rajiv Daga  
Managing Director  
DIN:01412917

Shyam Daga  
Executive Director  
DIN: 00561803

Anil Sureka  
Chief Financial Officer  
PAN:AMBPS7168L

Atul Krishna Pandey  
Company Secretary  
M.No.: A47815

(Priti Jhawar)  
Proprietrix  
Membership No. 303053  
UDIN:22303053AJHMWY3193

Place: Bangalore  
Date : 20/05/2022

### Consolidated Statement of changes in equity

#### 13. EQUITY SHARE CAPITAL

(Amount in Lakhs)

Balance as at April 1, 2021	Changes in Equity share capital due to prior period errors	Restated Balance as at April 1, 2021	Changes in Equity Share Capital during the year	Balance as at March 31, 2022
1,986.50	-	1,986.50	-	1,986.50

#### 14. OTHER EQUITY

(Amount in Lakhs)

Particulars	(As at 31st March 2022)					Total Other Equity
	Share Premium	Retained Earnings	Other Comprehensive Income	Capital Subsidy	Capital Redemption reserve	
Opening Balance	880.16	5,252.43	(5.29)	30.00	220.00	6,377.30
Add: Profit for the Period		845.69				845.69
Add: Other Comprehensive Income/(Loss)			15.29			15.29
Total Comprehensive Income for the period	880.16	6,098.12	9.99	30.00	220.00	7,238.27
Closing Balance	880.16	6,098.12	9.99	30.00	220.00	7,238.27

#### Notes from 01 to 44 form the integral part of Consolidated Financial statements

On behalf of the board of directors,

Deen Dayal Daga  
Chairman  
DIN: 00497806

AS PER OUR REPORT OF EVEN DATE  
For Priti Jhavar & Co.  
Chartered Accountants  
Firm Reg. No. 328818E

Rajiv Daga  
Managing Director  
DIN:01412917

Shyam Daga  
Executive Director  
DIN: 00561803

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Company Secretary  
M.No.: A47815

(Priti Jhavar)  
Proprietrix  
Membership No. 303053  
UDIN:22303053AJHMWY3193

Place: Bangalore  
Date : 20/05/2022

**Note: - 1 SIGNIFICANT ACCOUNTING POLICIES****1. Corporate Information:**

Archidply Industries Limited (the 'Group') is a public limited group domiciled in India incorporated under the provisions of the Companies Act. Its shares are listed on two recognised stock exchanges in India. The registered office of the group is at Plot No. 7, Sector-9, Integrated Industrial Estate, SIDCUL, Pant Nagar, Rudrapur - 263 153, Uttarakhand, India.

Group is engaged in the business of manufacturing two broad product segments, as follows:

**i) Wood Based Products:** Plywood & Block Board.

**ii) Paper Based Products:** Laminated Sheets(HPL)

It has branches and dealers' network spread all over the country. The Group is procuring raw material & trading goods locally as well as imports them. Goods are sold both in domestic and overseas markets.

The group's shares are listed in Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India(NSE).

**2. Basis of preparation of Consolidated financial statements :**

These Consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. The Consolidated financial statements for year ended 31st March 2022 were prepared in accordance with Indian Accounting standards notified under the Group (Accounting Standards) Rules 2006 read with Rule 7(1) of the Companies (Accounts) Rules, 2014 and the provisions of the Companies Act, 2013 (hereinafter referred to as the 'previous GAAP').

These Consolidated financial statements have been prepared under historical cost convention and on an accrual basis, except for the following items which have been measured as required by relevant Ind AS:

a) Financial Instruments classified as fair value through other comprehensive income.

b) The defined benefit loss/(profit) is recognized as at the present value of defined benefit obligation less fair value of plan assets through other comprehensive income.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The Group's management evaluates all recently issued or revised accounting standards on an on-going basis.

Where changes are made in presentation, the comparative figures of the previous years are regrouped and re-arranged accordingly.

**3. Basis of consolidation:**

The Group consolidates all entities which are controlled by it. The Group establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity.

Entities controlled by the Group are consolidated from the date control commences until the date control ceases.

The results of subsidiaries acquired, or sold, during the year are consolidated from the effective date of acquisition and up to the effective date of disposal, as appropriate.

The Consolidated financial statements of the Group companies are consolidated on a line-by-line basis and all inter-group transactions, balances, income and expenses are eliminated in full on consolidation.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to shareholders of the Group.

Assets and liabilities of entities with functional currency other than the functional currency of the Group have been translated using exchange rates prevailing on the balance sheet date. Statement of profit and loss of such entities has been translated using weighted average exchange rates. Translation adjustments have been reported as foreign currency translation

reserve in the statement of changes in equity. 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 recognised in OCI is reclassified to statement of profit and loss as part of the gain or loss on disposal.

**4. Accounting Estimates And Assumptions:**

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

actual results could differ from these estimates.

## 5. Equity

### a) Ordinary Shares

Ordinary shares are classified as Equity Share capital. Incremental costs directly attributable to the issuance of new shares and buyback are recognized as a deduction from equity, net of any tax effects.

### b) Capital redemption reserve

As per Companies Act, 2013, capital redemption reserve is created when group purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

### c) Securities Premium

The amount received in excess of the par value of equity shares has been classified as securities premium. Amounts have been utilized for share buyback from share premium account.

### d) Retained Earnings

Retained earnings represent the amount of accumulated earnings of the group.

## 6. Property, Plant and Equipment

- a) Property, Plant and Equipment are stated at original cost (net of tax/ duty credit availed) less accumulated depreciation and impairment losses except freehold land which is carried at cost. Cost includes cost of acquisition, construction and installation, taxes, duties, freight, other incidental expenses related to the acquisition, trial run expenses (net of revenue) and pre-operative expenses including attributable borrowing costs incurred during pre-operational period.
- b) Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.
- c) Assets which are not ready for their intended use on reporting date are carried as capital work-in-progress at cost, comprising direct cost and related incidental expenses.
- d) On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.
- e) Property, Plant and Equipments including continuous process plants are depreciated and/or amortized on the basis of their useful lives as notified in Schedule II to the Companies Act, 2013. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.
- f) Depreciation in respect of additions to assets has been charged on pro rata basis with reference to the period when the assets are ready for use. The provision for depreciation for multiple shifts has been made in respect of eligible assets on the basis of operation of respective units.
- g) Useful lives of the Property, Plant and Equipment as notified in Schedule II to the Companies Act, 2013 are as follows:
  - Buildings – 30 to 60 years
  - Plant and Equipments (Paper Division) - 15 years (Triple Shift)
  - Plant and Equipments (Other Division) - 15 years (Double Shift)
  - Furniture and Fixtures - 10 years
  - Vehicles - 8 to 10 years
  - Office Equipments - 5 to 10 years
  - Computers – 3 years

## 7. Intangible Assets

- a) Intangible assets acquired by payment e.g., Goodwill, Trademark and Computer Software are disclosed at cost less amortization on a straight-line basis over its estimated useful life.
- b) Intangible assets are carried at cost, net of accumulated amortization and impairment loss, if any.
- c) On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets

d) Intangible assets are amortised on straight-line method as follows :

Goodwill – 20 years

Computer Software – 3 years

Trademark- 10 years

## 8. Investment Property

Investment Property are stated at original cost less accumulated depreciation and impairment losses except freehold land which is carried at cost. Cost includes cost of acquisition, construction and other incidental expenses related to the acquisition, trial run expenses (net of revenue) and pre-operative expenses including attributable borrowing costs incurred during pre-operational period.

However Group does not have any Investment Property as it is utilizing its Investment Property for Business purpose only.

## 9. Lease Property

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

## 10. Impairment of Assets

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

During the year Group has recognized Rs. 24.28 lakhs as impairment loss on its assets as it has retired assets which were of no use and no realizable value.

## 11. Inventories

- a) Inventories related to raw materials, packing materials, stores & spares are valued at cost on weighted average basis or net realizable value whichever is lower.
- b) Waste & scraps are valued at estimated realizable value.
- c) Materials in transit and Semi Finished goods are valued at cost or market value which ever is lower.
- d) Finished goods and process stock include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition.
- e) Finished goods are valued at cost or net realizable value whichever is lower. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.
- f) Obsolete, defective and unserviceable stocks are duly provided for.

## 12. Cash Flow Statement

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Group is segregated.

Cash and cash equivalents in the balance sheet comprise cash at bank, cash/cheques in hand and short term investments (excluding pledged term deposits) with an original maturity of three months or less.

## 13. Financial Assets

The Group classifies its financial assets as those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss) and those to be measured at amortized cost.

Trade receivables represent receivables for goods sold by the Group upto to the end of the financial year. The amounts are generally unsecured and are usually received as per the terms of payment agreed with the customers and are classified under Current Assets.

A financial asset is de-recognized only when the Group has transferred the rights to receive cash flows from the financial asset, or when it has transferred substantially all the risks and rewards of the asset, or when it has transferred the control

of the asset.

Investments that are readily realizable and intended to be held for not more than a year are classified as Current investments. All other investments are classified as Non-Current/Long-term Investments. Current investments are carried at lower of cost or market value on individual investment basis. Non- Current Investments are considered at cost, unless there is an "other than temporary" decline in value, in which case adequate provision is made for the

Diminution in the value of Investments.

Investments in Mutual Funds are considered at Market Value through other comprehensive income.

#### 14. Financial Liabilities:

Borrowings are recognized net of transaction costs incurred.

Borrowings are removed from balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the group has an Un-conditional right to defer settlement of the liability for at least 12 months after the reporting period.

Trade Payables represent liabilities for goods and services provided to the Group up to the end of the financial year. The amounts are unsecured and are usually paid as per the terms of payment agreed with the vendors. The amounts are presented as current liabilities unless payment is not due within 12 months after the reporting period.

#### 15. Tax Asset

Tax assets and Tax liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### 16. Revenue Recognition:

Revenue comprises of all economic benefits that arise in the ordinary course of activities of the Group which result in increase in Equity, other than increases relating to contributions from equity participants. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

**Sale of Goods:** Revenue from sales of goods is recognised on transfer of significant risks and rewards of ownership to the customers. Revenue shown in the Statement of Profit and Loss are inclusive of Excise Duty and the value of self-consumption, but excludes Goods & Service Tax(GST), inter-transfers, returns, trade discounts, other benefits passed to customers in kind, value added tax and Central sales tax.

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

**Interest:** Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

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

#### 17. Foreign Currency Transactions:

The Group's Consolidated financial statements are presented in Indian Rupees ('INR'), which is also the Group's functional currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Group's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value is determined.

#### 18. Employee Benefits:

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

Post Employment and Retirement benefits in the form of Gratuity and Leave Encashment are considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to Gratuity



on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972.

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

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

Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organisation established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. The Group pays provident fund contributions to publicly administered provident funds as per local regulations.

The Group has no further payment obligations once the contributions have been paid.

#### 19. 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.

General and specific borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets during the period of time that is required to complete and prepare the asset for its intended use. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use.

All other borrowing costs are expensed in the period in which they are incurred.

#### 20. Accounting for Taxes on Income:

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

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

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profits against which the deductible temporary differences, and the carry forward unused tax credits and unused tax losses can be utilised.

Deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income. As such, deferred tax is also recognised in other comprehensive income.

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

#### 21. Contingent Liabilities & Contingent Assets:

Contingent liabilities are not provided for but are disclosed by way of Notes on Accounts. Contingent liabilities is disclosed in case of a present obligation from past events

- (a) when it is not probable that an outflow of resources will be required to settle the obligation;
- (b) when no reliable estimate is possible;
- (c) unless the probability of outflow of resources is remote.

##### Provisions are made when

- (a) the Group has a present legal or constructive obligation as a result of past events;
- (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (c) a reliable estimate is made of the amount of the obligation.

Contingent assets are neither accounted for nor disclosed by way of Notes on Accounts where the inflow of economic benefits is probable.

#### 22. Current And Non- Current Classification:

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

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

**An asset is current when it is**

- (a) expected to be realised or intended to be sold or consumed in normal operating cycle
- (b) held primarily for the purpose of trading
- (c) expected to be realised within twelve months after the reporting period
- (d) Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

**A liability is current when**

- (a) it is expected to be settled in normal operating cycle
- (b) it is held primarily for the purpose of trading
- (c) it is due to be discharged within twelve months after the reporting period
- (d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

**23. Corporate social responsibility (CSR) Activity**

In case of CSR activities undertaken by the Group, if any expenditure of revenue nature is incurred or an irrevocable contribution is made to any agency to be spent by the latter on any of the activities mentioned in Schedule VII to the Companies Act, 2013, the same is charged as an expense to its Statement of Profit and Loss.

NOTE :- 2 Property Plant &amp; Equipment

(Amount in Lakhs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK		NET BLOCK	
	ORIGINAL	ADDITION	SALES/RE-TIRED	TOTAL	UP TO	FOR THE PRD	DEPRECIATION	TOTAL	AS ON	AS ON	AS ON	AS ON
	01.04.2021	01.04.2021 to 31.03.2022	01.04.2021 to 31.03.2022	01.04.2021 to 31.03.2022	01.04.2021	01.04.2021 to 31.03.2022	ADJUSTMENT ON SALES	DEPRECIATION	31.03.2022	31.03.2022	31.03.2021	31.03.2021
<b>A) TANGIBLE ASSETS:</b>												
FREE HOLD LAND	1,565.57	6.83	62.65	1,509.76	-	-	-	-	-	1,509.76	1,565.57	1,565.57
BUILDINGS	2,046.04	10.97	9.42	2,047.60	831.10	82.24	5.48	907.86	907.86	1,139.74	1,214.95	1,214.95
PLANT AND MACHINERIES	4,692.06	99.94	148.66	4,643.34	3,044.97	246.74	130.96	3,160.75	3,160.75	1,482.59	1,647.09	1,647.09
ELECTRICAL EQUIPMENTS	4.01	-	-	4.01	0.41	0.13	-	0.54	0.54	3.47	3.60	3.60
FURNITURES AND FIXTURES	240.40	1.29	71.56	170.13	152.19	16.47	61.98	106.68	106.68	63.45	88.21	88.21
OFFICE EQUIPMENTS	67.88	6.50	31.94	42.45	54.61	4.47	30.31	28.77	28.77	13.67	13.27	13.27
COMPUTERS	100.55	3.97	57.63	46.90	89.60	4.92	54.72	39.80	39.80	7.11	10.96	10.96
VEHICLES	162.23	-	4.93	157.30	97.44	15.73	4.54	108.63	108.63	48.67	64.79	64.79
<b>SUB TOTAL (A)</b>	<b>8,878.76</b>	<b>129.51</b>	<b>386.78</b>	<b>8,621.49</b>	<b>4,270.33</b>	<b>370.69</b>	<b>287.99</b>	<b>4,353.02</b>	<b>4,353.02</b>	<b>4,268.46</b>	<b>4,608.43</b>	<b>4,608.43</b>
<b>B) INTANGIBLE ASSETS:</b>												
GOODWILL	618.39	-	-	618.39	463.79	30.95	-	494.75	494.75	123.64	154.60	154.60
PROGRAM AND APPLICATION	136.14	-	10.29	125.86	128.62	0.72	9.77	119.56	119.56	6.29	7.53	7.53
TRADEMARK	5.00	-	-	5.00	0.92	0.50	-	1.42	1.42	3.58	4.08	4.08
<b>SUB TOTAL (B)</b>	<b>759.54</b>	<b>-</b>	<b>10.29</b>	<b>749.25</b>	<b>593.33</b>	<b>32.17</b>	<b>9.77</b>	<b>615.73</b>	<b>615.73</b>	<b>133.52</b>	<b>166.21</b>	<b>166.21</b>
<b>C) CAPITAL WORK IN PROGRESS</b>												
CAPITAL WIP	11.69	-	11.69	0.00	-	-	-	-	-	0.00	11.69	11.69
TOTAL	9,649.99	129.51	408.76	9,370.73	4,863.65	402.86	297.76	4,968.75	4,968.75	4,401.98	4,786.34	4,786.34
Previous year	8,791.06	895.03	36.09	9,649.99	4,454.79	419.83	10.97	4,863.65	4,863.65	4,786.34	4,336.27	4,336.27

Note: During the year ended March 31, 2022, certain assets which were old and have no realisable value having Net book value of Rs.24.28 lakhs (Gross book value of rs. 314.30 lakhs) were retired and shown as impairment loss in the books.

Details of Assets Retired during the year are as follows:

Particulars	Gross Value	Net Value
Buildings	9.42	3.93
Plant and Machineries	135.10	6.61
Office Equipment	31.76	1.45
Furniture	70.49	8.89
Computers	57.25	2.89
Program	10.29	0.51
Total	314.30	24.28

**Consolidated Notes To Financial Statement For The Year Ended 31st March 2022**

(Amount in Lakhs)

Particulars	As at 31.03.2022
<b>Note 3: Investments</b>	
a Investments in Mutual Fund	
(Carried at Fair value through other Comprehensive Income)	
Baroda Equity Savings Fund- Regular Growth	-
(C.Y NIL (P.Y 149985 units ))	
SBI Balanced Advantage Fund-Regular Growth	67.00
(6,57,419.886 units having NAV value as on 31.03.2022 Rs.10.3046)	
Less:Dimunision/(Increase) in Value	(0.74)
	<b>67.74</b>
	<b>67.74</b>
<b>Note 4: Loans &amp; Advances</b>	
Unsecured, Considered Good	
	-
<b>Note 5: Other Non-Current Financial Assets</b>	
i)Security Deposits	175.89
ii)Security Deposits - Related Party	225.00
iii) Balance With Banks	
- Bank Deposit for Margin Money	46.94
(Maturity period more then 12 months)	
	<b>447.82</b>
<b>Note 6: Deferred Tax Assets</b>	
Opening deferred tax asset	114.99
Deferred tax (Liability)/Asset arising in current year on account of timing difference	
1. Depreciation	21.10
2. Gratuity	8.33
3. Leave Encashment	5.51
4. Provisions	(3.02)
	31.92
	<b>146.91</b>
<b>Note 7: Other Non-Current Assets</b>	
a Capital Advances	
For Plant & Machinery	0.74
	<b>0.74</b>
b Advances Other then Capital Advances	
i)Other Advances	
- Balance With Revenue Authorities	7.14
- Income Tax Refund receivable	108.14
	<b>115.28</b>

ii)Pre operative Expenses	8.94
Less: 1/5 transfer to expenses	1.79
	7.16
<b>Total Other Non Current Assets</b>	<b>123.18</b>

**Note 8: Inventories**

(As taken, valued and certified by the management)

Raw Materials	1,757.18
Finished Goods	3,101.81
Stores, Spares & Consumption	262.11
	<b>5,121.10</b>

**Note 9: Trade Receivables**

Unsecured	
-Considered Good*	8,205.46
-Significant increase in risk	126.01
-Credit Impaired	-
Less: Allowances for Credit loss	150.98
	<b>8,180.50</b>

\*(includes Related Party 11.90 lakhs (P.Y Nil))

Particulars	Less than 6 months	6months to 1 year	1-2 years	2-3 years	More than 3 years	Total as on 31.03.2022
<b>a Unsecured ; Undisputed</b>						
-Considered Good	7,861.13	118.50	115.96	2.57	6.31	8,104.47
-Significant increase in risk	10.29	46.42	6.08	29.74	16.53	109.06
-Credit Impaired	-	-	-	-	-	-
<b>b Unsecured ; Disputed</b>						
-Considered Good	12.47	25.54	19.17	25.14	18.67	100.99
-Significant increase in risk				4.22	12.73	16.95
-Credit Impaired				-	-	-
Less: Allowances for Credit loss						150.98
	<b>7,883.89</b>	<b>190.45</b>	<b>141.22</b>	<b>61.66</b>	<b>54.25</b>	<b>8,180.50</b>

The above outstanding is from date of transaction of sales.

**Note 10: Cash & Cash Equivalents**

a Balances with Banks	
- Balances in current accounts	10.00
- Balances in Fixed Deposit	400.00
b Cash in hand	4.41
	<b>414.41</b>

**Note 11: Bank balances other than Cash & Cash Equivalents**

Deposit for Margin Money	68.61
	<b>68.61</b>

**Note 12: Other Current Assets****a Advances to related parties**

- Assam Timbers Pvt. Ltd.	77.32
- Archidply Decor Ltd.	-

**b Others**

Prepaid expenses	69.60
Balance With Revenue Authorities	100.29
Advance for Supply of Goods/Services	56.11
Other Receivable*	396.04

\*(includes insurance receivable of Rs. 394.99 lakhs(P.Y Nil))

Other Advances	255.84
(includes Related Party Nil (P.Y 11 lakhs))	

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**955.19**


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**Note 13: Equity Share Capital**

## AUTHORISED

250,00,000 Equity Shares of Rs. 10.00 each (P.Y 250,00,000 Equity Shares of Rs. 10 each)	2,500.00
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## ISSUED, SUBSCRIBED, AND PAID UP

198,65,000 Equity Shares of Rs. 10.00 each (Previous year 198,65,000 shares of Rs.10 each)	1,986.50
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1,986.50
**a. Details of the Shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of Shareholder	As at 31.03.2022	
	No of Shares	% of Shares
Assam Timber Products Pvt Ltd	22,55,786	11.36
Vanraj Suppliers Pvt Ltd	39,43,509	19.85
Ravi Marketing Services Pvt Ltd	28,27,850	14.24
The Mysore Chipboards Limited	17,97,431	9.05

**b. Reconciliation of number of shares outstanding at beginning & end of the reporting period.**

Particular	As at 31.03.2022
Outstanding as at beginning of the reporting period	1,98,65,000
Add: Shares issued during the year	-
Less: Shares extinguished on buy-back	-
Outstanding as at end of the Reporting period	1,98,65,000

**c. The Company has only one class of equity shares having a par value of Rs.10 per share, Each Shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. However, no such preferential amounts exist currently.**

**d. Disclosure of Shareholding of Promoters**

Name of Shareholder	No of Shares as at 31.03.2022	% of Shares	% change during the year	No of Shares as at 31.03.2021	% of Shares
Shyam Daga	5,73,685	2.89	-	5,73,685	2.89
Sangeeta Bharadia	4,100	0.02	-	4,100	0.02
Deendayal Daga	7,71,620	3.88	-	7,71,620	3.88
Usha Daga	7,60,300	3.83	-	7,60,300	3.83
Deendayal Daga (HUF)	20,000	0.10	-	20,000	0.10
Rajiv Daga	6,51,342	3.28	-	6,51,342	3.28
Assam Timber Products Pvt Ltd	22,55,786	11.36	6.62	21,15,786	10.65
Vanraj Suppliers Pvt Ltd	39,43,509	19.85	-	39,43,509	19.85
Ravi Marketing Services Pvt Ltd	28,27,850	14.24	-	28,27,850	14.24
The Mysore Chipboards Ltd	17,97,431	9.05	-	17,97,431	9.05
Shree Shyam Tea Pvt Ltd	2,77,900	1.40	-	2,77,900	1.40
	<b>1,38,83,523</b>	<b>69.89</b>	<b>6.62</b>	<b>1,37,43,523</b>	<b>69.18</b>

**e. Equity shares movement during the 5 years preceding March 31, 2022****Equity shares extinguished on buy-back**

In the Financial year 2020-2021, the Company has Bought back its 22,00,000 equity shares @Rs.37/- per share amounting to Rs. 814 lakhs being 9.97% of the total equity share. The equity shares bought back were extinguished on March 17, 2021.

**Note 15: Financial Non-Current Borrowings****a. Secured**

Term Loans - Vehicle*	6.52
Term Loans - Business#	-
Term Loans - COVID 19 Demand##	65.48
	<b>72.00</b>

Particulars	Final repayment	As at 31st March 2022
Term Loans - Vehicle*		
- HDFC Bank Ltd.	Sep-23	2.27
- HDFC Bank Ltd.	Apr-24	4.25
- HDFC Bank Ltd.	Feb-22	-
Term Loans - Business#		
- State Bank of India	Sep-23	-
Term Loans - COVID 19 Demand##		
- State Bank of India	Jun-22	65.48
		<b>72.00</b>
Less: Current maturities of long term debt		69.19
		<b>2.82</b>

(\*Secured by certain vehicles, term loan repayable within 3 to 5 years in equal monthly installments)

(#Secured by fixed assets of Rudrapur unit, term loan repayable within 20 quarterly installments commencing from December 2018 but Company has cleared the same loan on 30.03.2022)

(Following Term loan with Advait Motors Pvt Ltd and Vijaya Bank in the name of company was transferred to Archidply Décor Ltd on account of demerger w.e.f 01.04.2018)

(##Secured by fixed assets of Rudrapur unit, term loan repayable within 18 months starting from december 2020 in equal monthly installments)



**Note 16: Provisions**

Provision for Employee Benefits	
Provision for Gratuity	380.45
Less: Short Term Provision	99.83
	<u>280.61</u>
Provision for Leave Encashment	285.00
Less: Short Term Provision	91.24
	<u>193.76</u>
	<u>474.37</u>

**Note 17: Financial Current Borrowings**a. **Secured****Repayable on demand**

Bank overdraft/Cash Credit	5,305.50
	<u>5,305.50</u>

<b>Particulars</b>	<b>As at 31st March 2022</b>
State Bank Of India*	3,400.63
HDFC Bank#	1,904.86
	<u>5,305.50</u>

(\*Secured by 1st Pari Passu charge on entire current assets Stock and book debts of the company both present and future and Collateral charge 1st Pari Passu on fixed assets both present and future of the company and personal guarantee of promoter directors.)

(#Working capital loan from HDFC Bank is Secured by 1st Pari passu charge on entire Current assets of the company both present and future and Collateral security 1st Pari Passu on fixed assets both present and future of the company and personal guarantee of 2 Promoter Directors.)

**Note 18: Trade Payables\***

- Micro,Small & Medium	752.01
- Disputed Micro,Small & Medium	5.75
-Undisputed Creditors for Goods	2,633.81
-Undisputed Creditors for Services	366.17
	<u>3,757.74</u>

	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total as on 31.03.2022</b>
- Micro,Small & Medium	752.01	-	-	-	752.01
- Disputed Micro,Small & Medium	-	-	-	5.75	5.75
-Undisputed Creditors for Goods	2,633.65	-	-	0.15	2,633.81
-Undisputed Creditors for Services	365.06	1.11	-	-	366.17
(Includes Related Party Rs.15.63 lakhs)	<u>3,750.73</u>	<u>1.11</u>	<u>-</u>	<u>5.90</u>	<u>3,757.74</u>

\* The above payable is from the date of purchase transaction.

**Note 19: Other Financial Liabilities**

Current Maturities of long term debt	
- Term Loan	69.19
Statutory dues Payables	225.64
Other Payables*	126.56
	<b>421.38</b>

\*(It includes expenses payable)

**Note 20: Current Provisions****a. Provision for Employee Benefits**

Provision for gratuity	99.83
Provision for leave encashment	91.24
Other Employee Provisions	255.82
(includes Related Party NIL (P.Y 6.93 lakhs))	<b>446.89</b>

**b. Others**

Cash Discount Payable	31.14
Other Expenses Payable	82.53
Sale Promotion Payable	-
Sales Commission Payable	-
Quality Complaint Payable	9.26
Provision for Scheme	39.02
	<b>161.95</b>
	<b>608.85</b>

**Note 21: Other Current Liabilities****a Income received in advance**

Advance from customers	86.47
(includes Related Party Rs.9.88 lakhs (P.Y NIL))	<b>86.47</b>

**b Others**

Security Deposit from Vendors	13.05
	13.05
	<b>99.52</b>

**Note 22: Current Income Tax Liabilities (Net)**

Provision for Tax	345.00
Less: Taxes Paid	312.50
(Net of Advance tax and TDS Receivable)	32.50
	<b>32.50</b>

**Note 23: Revenue From Operations****Sale of Products**

Manufactured Goods	22,362.02
Trading Goods	8,141.57
Other sales	64.45
	<b>30,568.03</b>

**Other Operating Revenue**

Royalty on use of brand name	59.88
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Export Incentive	0.41
	60.30
	<b>30,628.33</b>

**Particular of sale of products**

Decorative Laminate	13,399.49
Plywood/Blockboard/Flush Doors	17,089.90
Others	78.64
	<b>30,568.03</b>

**Note 24: Other Income**

Interest Received	9.45
Dividend Received	0.00
Foreign exchange Gain	14.69
Balance written back	36.24
Profit on Sale of Investment	3.36
Prior Period Income	5.31
Other Non Operating Income	20.48
	<b>89.54</b>

**Note 25: Cost of Material Consumed****a Raw Material Consumed**

Opening Stock	1,855.68
Add: Purchases	13,450.14
Less: Closing Stock	1,757.18
	<b>13,548.64</b>

**Imported and Indigenous Raw Materials Consumed:****Year Ended 31.03.2022****% Amount**

Imported	7.08%	959.76
Indigenous	92.92%	12,588.87
	<b>100.00%</b>	<b>13,548.64</b>

**Break up of Raw Materials Consumed****Year Ended 31.03.2022****Qty Amount in lakhs**

Paper in Kgs	84,65,015	4,738.59
Timber in Cbm	33,005	2,730.13
Veener(incl own production) in sq. mtr	26,73,941	578.38
Core Veneer in Cbm	1,454	195.46
Chemicals in Kgs	79,29,659	4,833.72
Others		472.36
	<b>1,91,03,074</b>	<b>13,548.64</b>

**Note 26: Purchase of Stock in trade**

Plywood/Block Board/Flush Doors	6,707.17
	<u>6,707.17</u>

**Note 27: Changes in Inventory of Finished Goods, Work in process & Stock in trade****Inventories (at close)**

Finished Goods & WIP	3,101.81
Stock-in-Trade	-

**Inventories (at commencement)**

Finished Goods & WIP	2,451.32
Stock-in-Trade	-

(Increase) / Decrease in Stock	(650.48)
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(Increase) / Decrease in Stock	<u>(650.48)</u>
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**Note 28: Employee Benefit Expenses**

Salaries and Wages	2,222.77
Director Remuneration	120.71
Contribution to and provisions for provident and other funds	291.07
Staff Welfare Expenses	14.88
Employee Insurance Expense	12.73
	<u>2,662.17</u>

Directors Remuneration, under Section 197 of the Companies Act, 2013 are as follows:

**Particulars****Year ended March  
31st 2022 (Rs.)**

Salary & Perks	115.20
Sitting Fees	5.10
Club Membership	0.41
	<u>120.71</u>

**Note 29: Finance cost**

Interest on Term Loans	31.08
Interest on Working Capital borrowings	354.57
Other Interest	17.45
Bank charges, LC Charges & Discounting Charges	31.40
Processing Charges	33.07
	<u>467.58</u>

**Note 30: Other Expenses****a Manufacturing Expenses**

Stores and Spares consumed *	468.39
Packing Charges	234.72
Processing Charges	661.35
Power and fuel consumed	999.50
Repairs to Plant and Machinery	18.02
Repairs to Building	3.03
Repairs to Others	4.26
	<u>2,389.25</u>

\*Imported and Indigenous Stores and Spare Parts Consumed:

Particulars	Year Ended 31.03.2022	
	%	Amount
Imported	0.00%	-
Indigenous	100.00%	468.39
	<b>100.00%</b>	<b>468.39</b>
<b>b Selling, Distribution, Administrative and Other Expenses</b>		
Rent		204.06
Rates and Taxes		32.46
Printing and Stationery		4.74
Postage, Telephone and Telegram		36.06
Insurance		57.89
Legal, License and Professional Fees		131.61
Repairs & Maintenance Expenses		70.76
Auditors Remuneration		5.23
Advertisement		603.63
Travelling and conveyance		207.91
Commission on sales and samples		125.92
Sample Folders Sales		246.51
Freight, forwarding and other expenses		1,572.67
Vehicle Running Expenses		11.95
Sales Promotion Expenses		149.30
Discount & Rebates		310.95
Claims and Bad debts written off		101.98
Provision for Bad Debts		-
CSR Discharged		13.22
Other Expenses		114.33
Pre operative expenses		1.79
Loss on Retirement of Fixed Asset		11.80
Loss on sale of Fixed Assets		14.21
		4,028.99
<b>Grand Total(a + b)</b>		<b>6,418.24</b>

**Note 31: Auditors Remuneration**

Particulars	Year Ended 31.03.2022
a) Statutory Audit Fee	4.00
b) Tax Audit Fee	1.00
c) For others Fee	0.23
<b>Total</b>	<b>5.23</b>

**Note 32: Value of Imports on CIF basis in respect of:**

Particulars	Year Ended 31.03.2022	
	%	Amount
i) Raw Materials	94.16%	1,114.72
ii) Stores and spare parts	0.10%	1.18
iii) Capital Goods	5.74%	67.99
<b>Total</b>	<b>100%</b>	<b>1,183.89</b>

**Note 33a: Expenditure in Foreign Currency**

Import of goods	1,183.90
	<b>1,183.90</b>

**Note 33b: Earnings in Foreign Currency**

Export of goods(FOB value)	897.93
	<b>897.93</b>

**Note 34: Contingent Liabilities & Commitments(To the extent not provided for)**

## 1 Contingent Liabilities

A) On account of Demerger of Plywood & Block Board and Particle & laminated board (both divisions) of The Mysore Chipboards Limited in to the Company in the financial year 2007-08:

i) Various parties had filed a civil suit for recovery of dues/ damages against The Mysore Chipboards Limited, which has been disputed by The Mysore Chipboards Limited and had deposited an amount of Rs. 11.46 lakhs (P.Y. Rs. 11.46 lakhs) with Hon'ble High Court of Gujarat. 12.29

ii) The Company, for and on behalf of The Mysore Chipboards Limited has given a guarantee towards a show cause notice issued by the Excise Department demanding a dues from The Mysore Chipboards Limited. However The Mysore Chipboards Limited had deposited an amount of Rs. 16 lakhs( P.Y. Rs. 16 lakhs) with Central Excise Department. The Mysore Chipboards Limited had filed an appeal & disputed the said demand and the demand has been reduced to Rs.81.01 lakhs (P.Y. Rs.81.01 lakhs) and the penalty of the same amount by Commissioner of Central Excise, Mysore on 05/10/2006. The Mysore Chip Board Ltd has filed an appeal to Custom, Excise & Service Tax Appellate Tribunal, Bangalore and obtained a stay order against that demand. The tribunal has remanded back the case to the Commissioner of Central Excise for taking fresh decision after following the principles of natural justice. The Department has filed the appeal before the Honourable Supreme Court against the order of the Tribunal. 81.02

The same has been disposed of on 19th August, 2020 by Honourable Supreme Court, confirming the impugned orders of CESTAT setting aside the Orders in Original passed by the Adjudicating Authorities and remanding the matters back for readjudication with certain directions.

B) Guarantees given by the bank on behalf of the Company 149.97

C) The Company has sold all the scrap and old machinery at its closed factory at Mysore to M/s Raad Iron. M/s Raad Iron has sold some portion of Scrap to Sidharth Impex, New Delhi. Sidharth impex has made the part payment of Rs. 10.50 lakhs to the Company on behalf of the Raad Iron and balance to the Raad iron. The scrap material was dispatched from the factory by Raad Iron but not received by Siddharth Impex. As Raad Iron was absconding, Sidharth Impex has filed the case of Rs. 15 lakhs against the Company. The matter is under the jurisdiction of the High Court, Delhi for final hearing and for the same Company has deposited Rs. 16.30 lakhs to Registrar General, High Court, Delhi. 15.00

D) The Company has received demand from Income Tax Department of Rs. 13.45 lakhs for the AY 2018-19. The company has filed an appeal against the same which is pending with CIT Appellate 1 Nil

E) The Company has received demand from Income Tax Department of Rs. 6.46 lakhs for the AY 2019-20. The company has filed an appeal against the same which is pending with CIT Appellate 1 Nil

F) The Company has received demand from Income Tax Department of Rs. 648.53 lakhs for the AY 2015-16. The company has filed an appeal against the same which is pending with CIT Appellate 1 648.53

G) The Company has received demand from Income Tax Department of Rs. 80.33 lakhs for the AY 2020-2021. The company has filed an appeal against the same which is pending with CIT Appellate 1 80.33

H) The company has given Corporate Guarantee to both State Bank of India and HDFC Bank on behalf of Archidply Décor Ltd for providing credit facilities. 2,500.00

### Note 35 : Segment Reporting

The Company has identified two segments viz a) Wood based product b) Paper based product, which have been identified in line with IND AS 108 on Operating segment reporting taking into account organizational structure as were as differential risk and return of these segments.

Details of the Products included in each segment are as under:

- i) Wood based products: Plywood, Block Boar and Flush Doors etc.
- ii) Paper based products: Laminated Sheets (HPL).

The segment information has been prepared in conformity with the Accounting Policies for preparing and presenting the financial statements of the Company.

Segment revenue and results includes manufacturing as well as trading activities for the same segment product. Segment current assets and liabilities are taken on the basis of the turnover of the segment.

The following table presents the information relating to profit, assets and liabilities of the operating segment. (Primary Segment) of the Company.

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

(Amount in Lakhs)

Particulars	Wood Based	Paper Based	TOTAL
	As at 31.03.2022	As at 31.03.2022	As at 31.03.2022
External Sales	17,139.72	13,428.32	30,568.03
Other Sales	-	-	-
Royalty Income	59.88	-	59.88
Other Operating Income			0.41
<b>Total Revenue</b>	<b>17,199.60</b>	<b>13,428.32</b>	<b>30,628.33</b>
<b>RESULTS</b>			
Segment Results	4,875.05	3,773.30	<b>8,648.35</b>
Interest			467.58
Other Unallocable Income	-	-	149.83
Other Unallocable Expenditure	-	-	7,167.12
Provision for Taxation			316.00
Net Profit after tax			<b>847.48</b>
<b>OTHER INFORMATION</b>			
<b>Assets</b>			
Segment Assets	9,419.26	8,377.76	17,797.02
Unallocable Assets			2,130.43
Total Assets :			<b>19,927.45</b>
<b>Liabilities</b>			
Segment Liabilities	2,985.86	2,339.31	5,325.17
Unallocable Liabilities			14,602.27
<b>Total Liabilities :</b>			<b>19,927.46</b>
Capital Expenditure during the year.	9.41	89.17	98.58
Capital Expenditure during the year Unallocable			30.93
Depreciation and Amortization	81.36	194.99	276.35
Depreciation and Amortization (Unallocable)			126.51

### Secondary Segment Reporting:

The Company has no reportable secondary segment.



**Note 36: Valuation of Gratuity**

Actuarial Valuation Assumption Used for Valuation

<b>Economic Assumptions</b>	<b>(Amount in Lakhs)</b>
<b>Date of Valuation</b>	<b>31st March 2022</b>
Discount Rate	6.95%
Salary Escalation Rate	10.00%
Expected Rate of Return on Assets	N.A.
Attrition Rate	13.00%
Retirement Age	58 Years
<b>Amounts in Balance Sheet at Period-End</b>	<b>31st March 2022</b>
Closing Defined Defined Benefit Obligation	380.45
Closing Fair value of Plan Assets	-
Unrecognized Prior Service Cost	-
Limit under Para 59 (b)	
<b>Net Amount Recognized in Balance Sheet</b>	<b>380.45</b>
<b>Amounts Recognised in Statement of Profit &amp; Loss at Period-End</b>	<b>1st April 2021 to 31st March 2022</b>
Company Service Cost - CY	40.42
Interest Cost - CY	22.58
Expected Return on Assets - CY	-
Past Service Cost - CY	-
Actuarial (Gains)/Losses - CY	(11.62)
Other Adjustments - CY	-
<b>Net Periodic Benefit Cost/(Income) - CY</b>	<b>51.38</b>
<b>Current / Non Current Bifurcation</b>	<b>31st March 2022</b>
Current Liability	99.83
Non Current Liability	280.61
<b>(Asset)/Liability Recognised in the Balance Sheet</b>	<b>380.45</b>
<b>Change in Defined Benefit Obligation during the period</b>	<b>1st April 2021 to 31st March 2022</b>
Opening Defined Benefit Obligation	347.33
Current Service Cost	40.42
Interest Cost	22.58
Plan Participants' Contributions	
Actuarial (Gain)/Loss	(11.62)
Acquisition/Divestiture - L	-
Benefits Paid	(18.27)
Past Service Cost	
Currency Impact	
Curtailments	
Settlements	
<b>Closing Defined Benefit Obligation</b>	<b>380.45</b>
	-

Reconciliation of Amounts Recognised in Balance Sheet	31st March 2022
Op. Balance Sheet	347.33
P&L	51.38
Contributions/Benefits Paid	(18.27)
Acquisition / Divestiture	-
Other Adjustment	-
<b>Cl. Balance Sheet</b>	<b>380.45</b>

**Note 37: Corporate social responsibility (CSR) Activity**

CSR amount required to be spent as per section 135 of the companies Act, 2013 read with Schedule VII thereof by the group during the year is Rs 13.02 lakhs based on Average profit of last 3 years i.e. Rs.651.08 lakhs.

During the year, the group has fulfilled its Corporate Social Responsibility by spending Rs. 13.22 lakhs towards corporate social responsibility (CSR) under Section 135 of the Companies Act, 2013 and rules thereon by way of contribution to Foundation for schools project advance based technology.

**Note 38: Earning Per Share:**

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

Particulars	Year ended March 31 <sup>st</sup> 2022
i) Net Profit After Tax (A) (Rs. in lakhs)	847.48
ii) Weighted Average number of Equity Shares (B)	19,865,000
iii) Face Value Per Equity Share (Rs.)	10
iv) Earning Per Share (A-B) (Rs) – Basic & Diluted	4.27

**Note 39: Financial Instruments**

During the year Group has given Corporate Guarantee for availing a loan facility on behalf of M/s Archidply Décor Ltd related concern of the Group to State Bank of India (10 crores) and HDFC Bank Limited (15 crores) for the credit facilities granted by them for the purpose of principal business activity of M/s Archidply Décor Ltd.

The same has been approved by board on August 11, 2021

**Note 40: Related Party**

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged. Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

Compensation includes all employee benefits i.e. all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered to the entity. It also includes such consideration paid on behalf of a parent of the entity in respect of the entity. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Disclosure as per Ind AS 24 "Related Party Disclosures" Issued by the Institute of Chartered Accountants of India is as follows:

**Subsidiary Group:**

Archidpanel Industries Private limited (100% subsidiary from 12/02/2022)

**Companies with significant influence:**

- 1 The Mysore Chip Boards Ltd
- 2 Assam Timber Products Pvt Ltd
- 3 Shree Shyam Tea Pvt Ltd
- 4 Vanraj suppliers Pvt Ltd
- 5 Ravi Marketing Services Pvt Ltd
- 6 Wartayar Veneer Industries Ltd
- 7 Archidply Décor Ltd.
- 8 ADL Particles and Board MDF Pvt Ltd
- 9 ADL Panels Pvt Ltd
- 10 Archid Panel Product

**Key Management Personnel:**

- 1 Mr. Deendayal Daga – Chairman
- 2 Mr. Rajiv Daga – Managing Director
- 3 Mr. Shyam Daga – Executive Director
- 4 Mr. B.H Rathi- Independent Director (deceased 08/05/2021)
- 5 Mr. M.S Aftab- Independent Director
- 6 Mrs. Shanti V. Mallar- Independent Director
- 7 Mr. Pritam Singh - Independent Director (appointed on 18/06/2021)
- 8 Mr. Anil Sureka- Chief Financial Officer
- 9 Mr. Atul Krishna Pandey- Company Secretary

The Group has entered into transactions with related parties as listed below during the year under consideration. Full Disclosure has been made and the Board of Directors considers such transactions to be in normal course of business and at rates agreed between the parties. Details of transactions with related parties are as follows:

**(Amount in Lakhs)**

Particulars	Year ended 31.03.2022
<b>Transactions with related parties:</b>	
<b>Associate Companies</b>	
a) Purchase of goods	
- Assam Timber Products Pvt. Ltd.	329.2
b) Royalties Received	
- Assam Timber Products Pvt. Ltd.	14.31
- Archidpanel Products	23.35
c) Lease Rent Paid	
- The Mysore Chipboards Ltd.	34.47
d) Rent Received	
- Archidply Decor Ltd.	1.20
e) Sale of goods	
- Archidply Decor Ltd.	128.54
<b>Key Management Personnel</b>	
a) Remuneration to Director paid*	115.6
b) Sitting fee paid	5.10
c) Remuneration to CFO	33.82
<b>Outstanding balances on date:</b>	
a) Director Remuneration Payable	Nil
b) Lease Rent	15.63

**Advance Received:**

- Archidply Décor Limited 9.88

**Receivable from Related Parties**

## a) Receivable

- Assam timber Products Pvt. Ltd. 77.32

- Archidply Décor Limited Nil

b) Other Receivable (Royalty and Rent) 11.90

## c) Loan to Subsidiary

- Archidpanel Industries Private Limited 8.94

## d) Lease Deposit

- The Mysore Chipboards Ltd. 225.00

**Corporate Guarantee Given**

a) Archidply Decor Ltd. 2500.00

\*The above Remuneration is exclusive of Leave Encashment and Gratuity as the same is provided on Actuarial Valuation done for group as a whole.

**Note 41: Unclaimed shares**

In terms of Clause 5A of the Listing Agreement with the Stock Exchange, the Group has opened the demat suspense account and has transferred the 3225 unclaimed shares of public issue to "Archidply Industries Limited Unclaimed Shares Suspense Account." The Voting rights on these shares will remain frozen till the rightful owner claims the shares.

CY

Opening Balance of the Shares in the DEMAT account 3225

Closing Balance of the Shares in the DEMAT account 3225

There was no Unclaimed Dividend (P.Y. NIL) and Unclaimed Share Application money (P.Y. NIL) that need to be transferred to Investor Education and Protection Fund during the year.

**Note 42: Micro, Small or Medium Enterprises**

The group has identified the suppliers who fall within the Micro, Small & Medium Enterprises Development Act 2006. The principal amount outstanding remaining unpaid to suppliers under the Micro, Small & Medium Enterprises Development Act 2006 as at 31-03-2022 is Rs. 7.58 crores.

However, the group has not provided or calculated interest payable to MSMED suppliers for payments made after 45 days as per Micro, Small & Medium Enterprises Development Act 2006. as there is no claim by the MSME vendors for any interest and also they have not raised any objection.

**Note 43: Quarterly Returns submitted to Banks**

The Group has been sanctioned working capital limits in excess of five crores rupees, in aggregate, from banks on the basis of security of current assets. Differences between Quarterly returns or statement filed by the group with banks and books of account are as follows:

Quarter	As per bank return	As per books of account	Difference	% Age of Differences
Q1	5073.07	5077.88	4.81	0.09%
Q2	4963.31	4963.45	0.14	0.00%
Q3	4865.30	4867.85	2.55	0.05%
Q4	5119.98	5121.10	1.12	0.02%

**Note 44: Additional Regulatory Information**

Serial no.	Particulars	Numerator	Denominator	31.03.2022	31.03.2021	Deviation
a)	Debt Service Coverage Ratio	Earnings before Interest, Tax and Exceptional Items	Interest Expense + Principal Repayments made during the period for long term loans	1.41	1.70	-16.81%
b)	Interest service Coverage Ratio	Earnings before Interest, Tax and Exceptional Items	Interest Expense	3.48	1.98	76.25%
c)	Debt Equity Ratio	Total Debt	Total Equity	0.58	0.77	-24.04%
d)	Current Ratio	Current Assets	Current Liabilities	1.44	1.39	3.97%
e)	Long Term Debt to Working Capital	Non-Current Borrowings (Including Current Maturities of Non-Current Borrowings)	Current Assets Less Current Liabilities (Excluding Current Maturities of Non-Current Borrowings)	0.02	0.19	-91.62%
f)	Bad Debts to Accounts Receivable Ratio	Bad Debts	Average Trade Receivables	0.01	0.04	-61.74%
g)	Current Liability Ratio	Total Current Liabilities	Total Liabilities	0.96	0.91	4.45%
h)	Total Debts to Total Assets	Total Debt	Total Assets	0.27	0.34	-20.07%
i)	Debtors Turnover Ratio	Value of Sales & Services	Average Trade Receivables	4.04	3.23	24.99%
j)	Inventory Turnover Ratio	Cost of Goods Sold (Cost of Material Consumed+ Purchases + Changes in Inventory + Manufacturing Expenses)	Average Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade	7.92	5.78	37.17%
k)	Operating Margin(%)	Earnings before Interest, Tax and Exceptional Items less Other Income	Value of Sales & Services	5.03%	3.86%	30.17%
l)	Net Profit Margin(%)	Profit After Tax (after exceptional items)	Value of Sales & Services	2.76%	0.98%	182.56%
m)	Return on Equity Ratio	Profit After Tax	Average Shareholder's Equity	0.10	0.03	267.52%
n)	Return on Capital Employed	Earnings before Interest, Tax and Exceptional Items	Capital Employed	0.11	0.06	74.69%

\* Due to increase in Profit during the year

# Due to repayment of Long term debts during the year

\$ Due to less Bad debt

^ Due to better Inventory management

**ATTENDANCE SLIP**

Only Shareholders or Proxies will be allowed to attend the meeting

Registered Folio / DP ID & Client ID :

Name and Address of the Shareholder :

Joint Holder(s) :

No. of Shares :

I / We hereby record my / our presence at the 27th Annual General Meeting of the Company being held on Friday, the 30th September, 2022 at 11:30 a.m. at the registered office of the Company at plot no. 7, sector -9, Integrated Industrial Estates, SIDCUL, Pant Nagar, dist. Udam Singh Nagar, Rudrapur, Uttarakhand, 263153.

Signature of Shareholder(s) 1. \_\_\_\_\_  
 2. \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Note:

- Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting venue.

**ELECTRONIC VOTING PARTICULARS**

EVSN	Sequence Number

Note:

Please read the note no. 25 to the Notice of the 27th Annual General Meeting dated Friday, 30th September, 2022, being sent herewith, in respect of the instructions for voting through electronic means. The voting period starts from 10:00 a.m. on September 27, 2022 and ends at 5:00 p.m. on 29th September, 2022.

**Form No. MGT-11 PROXY FORM**

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

CIN	L85110UR1995PLC008627
Name of Company	ARCHIDPLY INDUSTRIES LIMITED
Registered Office	PLOT NO. 7, SECTOR - 9, INTEGRATED INDUSTRIAL ESTATES, SIDCUL, PANT NAGAR, DIST. UDAM SINGH NAGAR, RUDRAPUR , UTTARAKHAND, 263153
Name of the Member(s):	
Registered Address:	
E-mail Id:	
Folio No./ Client Id: DP ID:	

I / We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint:

- 1) Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Email Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him/her
- 2) Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Email Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him/her
- 3) Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Email Id: \_\_\_\_\_ Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the Company, to be held on Friday, 30th September, 2022 at 11:30 a.m. at Plot no. 7, Sector - 9, Integrated Industrial Estates, SIDCUL, Pant Nagar, dist. Udam Singh Nagar, Rudrapur , Uttarakhand, 263153 and at any adjournment thereof in respect of such resolutions as are indicated below:

Signed this \_ day of \_ 2022.

Signature of Shareholder: \_\_\_\_\_

Signature of proxy holder(s): \_\_\_\_\_

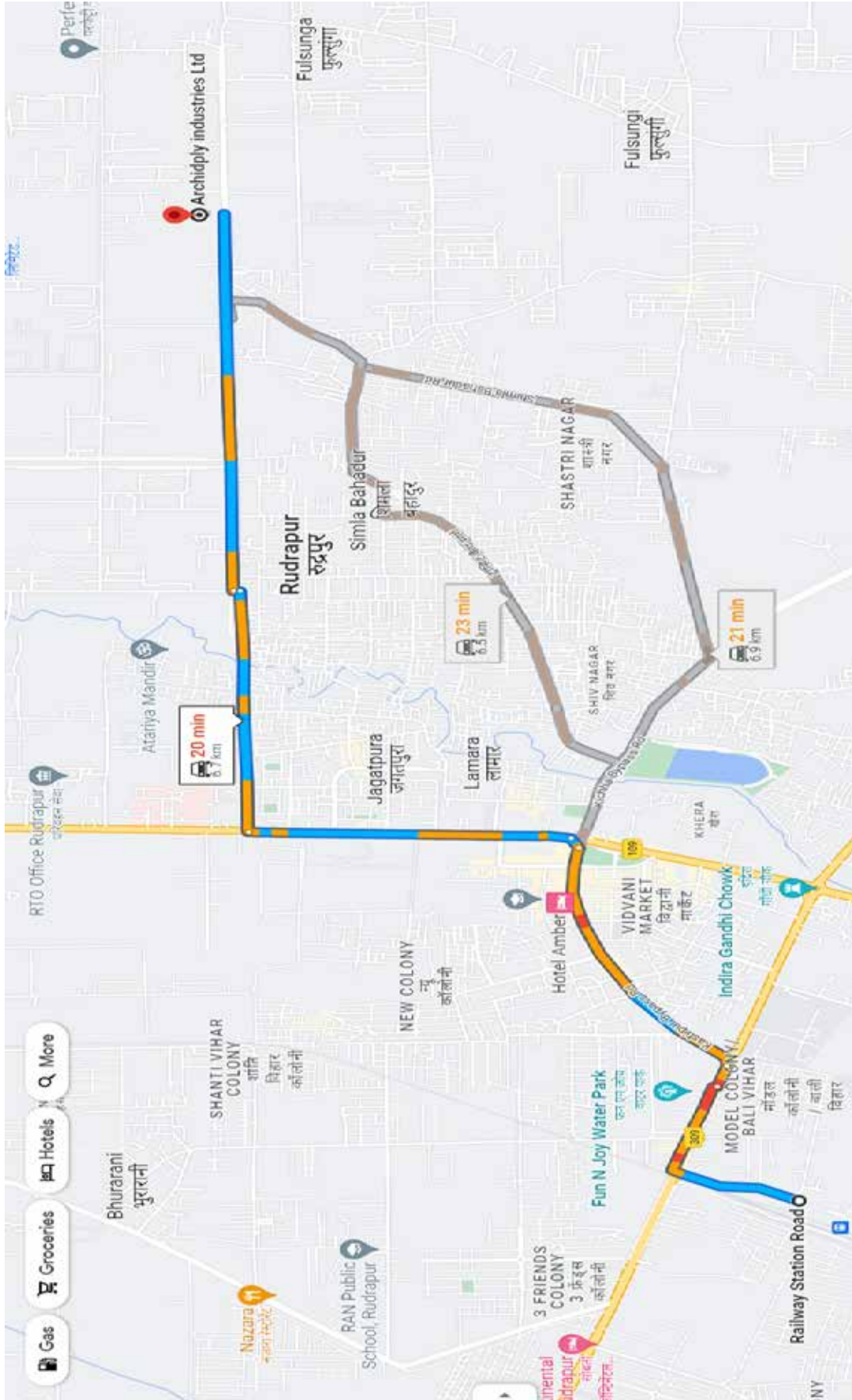
Affix  
Revenue  
Stamp

**Note:**

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



ROUTE MAP



# ARCHIDPLY®

Since 1976

INDUSTRIES LIMITED

Regd. Office

Archidply Industries Ltd

Plot No. 7, Sector - 9, Integrated Industrial Estate, SIDCUL, Pantnagar, Rudrapur,  
Udham Singh Nagar - 263153 (Uttarakhand)

Ph : 05944 - 250270, Fax : 05944 - 250269 Email : [info@archidply.com](mailto:info@archidply.com)

Corporate Office

Archidply Industries Ltd.

2/9, 1st Floor, W.H.S. Kirti Nagar, New Delhi - 110015 (India)

Ph : 011 - 45642555, 42852022

Email : [corporate@archidply.com](mailto:corporate@archidply.com)

