

Century Plyboards (India) Limited

Century House,

P 15/1, Taratala Road, Kolkata - 700088

P: (033) - 3940 3950 • F: (033) - 2401 5556

kolkata@centuryply.com • www.centuryply.com

CIN : L20101WB1982PLC034435



Date: 18th August, 2020

BSE Ltd. Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400 001 Scrip Code: 532548	National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex, Bandra (E) Mumbai- 400 051 Scrip Name- Centuryply
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Dear Sir(s)/ Madam(s)

Subject: Submission of Notice of Annual General Meeting and Annual Report

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a copy of the Annual Report of the Company for the Financial Year 2019-20. A copy of Notice convening Annual General Meeting on Wednesday, 9th September, 2020 at 11:00 A.M. through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) is also attached herewith.

This is for your information and record.

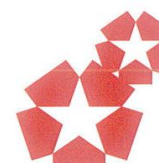
Thanking you,

Yours faithfully,

For Century Plyboards (India) Ltd.

Company Secretary

Encl: As above





CENTURY PLYBOARDS (INDIA) LIMITED
(CIN: L20101WB1982PLC034435)

Registered Office: P-15/1, Taratala Road, Kolkata - 700 088; Phone: (033) 3940 3950
Fax: (033) 2401 5556; Website: www.centuryply.com; Email: investors@centuryply.com

NOTICE

NOTICE is hereby given that the Thirty-Ninth (39th) Annual General Meeting (AGM) of the Members of Century Plyboards (India) Limited, will be held on Wednesday, 9th September, 2020 at 11:00 A.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS

- 1 To receive, consider and adopt:
 - a. the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2020 together with the Reports of the Board of Directors and the Auditors thereon; and
 - b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2020 together with Report of the Auditors thereon.
- 2 To confirm the payment of Interim Dividend of ₹1.00 per equity share already paid during the year as the Final Dividend for the Financial Year 2019-20.
- 3 To appoint a Director in place of Sri Hari Prasad Agarwal (DIN: 00266005), who retires by rotation and being eligible, offers himself for re-appointment.
- 4 To appoint a Director in place of Sri Prem Kumar Bhajanka (DIN: 00591512), who retires by rotation and being eligible, offers himself for re-appointment.
- 5 To fix remuneration of the Statutory Auditors for the Financial Year 2020-21 and in this connection to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 142 and other applicable provisions of the Companies Act, 2013 read with Rules framed thereunder (including any statutory modification(s) or re-enactment thereof), the remuneration of M/s. Singhi & Co., Chartered Accountants (ICAI Firm Registration No. 302049E), Statutory Auditors for audit of accounts for the financial year ended 31st March, 2021 is fixed at ₹35,00,000/- (Rupees Thirty-five Lac only), exclusive of applicable taxes thereon and out of pocket expenses."

SPECIAL BUSINESS

- 6 **Appointment of Sri Amit Kiran Deb (DIN: 02107792), as an Independent Director of the Company**

To consider and, if thought fit, to pass the following resolution as

an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 161, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Articles of Association of the Company and on recommendation of Nomination and Remuneration Committee, Sri Amit Kiran Deb (DIN: 02107792), appointed as an Additional Director of the Company in the Independent category with effect from 1st April, 2020 and who holds office up to the date of this Annual General Meeting, and being eligible, offers himself for appointment and has submitted a declaration that he meets the criteria of Independence under Section 149(6) of the Companies Act, 2013 and the Listing Regulations and in respect of whom the Company has received a notice in writing from a member, pursuant to the provisions of Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company with effect from 1st April, 2020 to hold office for a term up to 30th September, 2023 and shall not be liable to retire by rotation."

By Order of the Board
For **Century Plyboards (India) Ltd.**

Sd/-
Sundeep Jhunjunwala
Company Secretary

26th June, 2020

Registered Office:
P-15/1, Taratala Road
Kolkata- 700 088

NOTES

- 1 In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") vide its circular no. 20/2020 dated 5th May, 2020 read with circular no. 14/2020 dated 8th April, 2020 and circular no. 17/2020 dated 13th April, 2020 (collectively referred to as "MCA Circulars") and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, relaxed the provisions of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and permitted holding of AGM through VC / OAVM, without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the Companies Act, 2013 read with MCA Circulars and Listing Regulations, the AGM of the Company is being held through VC / OAVM. The Company will conduct the AGM through VC/ OAVM from its Registered Office, i.e, P - 15/1, Taratala Road, Kolkata- 700088, which shall be deemed to be venue of the meeting.
- 2 Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- 3 Pursuant to Section 113 of the Act, Institutional / Corporate Shareholders (i.e. Shareholders other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to scrutinizermkb@gmail.com with a copy marked to evoting@nsdl.co.in.
- 4 In terms of the MCA Circular, no. 20/2020 dated 5th May, 2020 Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- 5 In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote electronically at the AGM.
- 6 M/s Singhi & Co, Chartered Accountants (ICAI Firm Registration No. 302049E) were re-appointed as Statutory Auditors of the Company for a second term of five consecutive years, i.e, from the conclusion of the Thirty-eighth Annual General Meeting until the conclusion of Forty-third Annual General Meeting to be held in the calendar year 2024 and their remuneration for audit of accounts for the financial year ended 31st March, 2020 was fixed.

The requirement to place the matter relating to the appointment

of Auditors for ratification by members at every AGM has been done away with vide notification issued by the Ministry of Corporate Affairs effective from 7th May, 2018. Accordingly, no resolution is proposed for ratification of appointment of Statutory Auditors. However, their remuneration for audit of accounts for the financial year ended 31st March, 2021 needs to be fixed and accordingly, the same is being placed at this AGM for approval of the Members.

The Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment as Statutory Auditors.

- 7 The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 3rd September, 2020 to Wednesday, 9th September, 2020 (both days inclusive) for the purpose of AGM.
- 8 The Board of Directors of the Company through a Circular Resolution passed on Thursday, 13th February, 2020, had declared an interim dividend of ₹1/- (exclusive of dividend tax) per Equity Share of ₹1/- each fully paid up of the Company, which was paid to those Members whose names appeared on the Company's Register of Members, at the close of business hours on 21st February, 2020 and in respect of Equity shares held in electronic form, to all those beneficial owners as on 21st February, 2020 whose details have been furnished by NSDL and CDSL for this purpose. Members who have not yet encashed or not received their dividend warrants may approach the Registrar and Transfer Agents (RTA) of the Company for revalidating the warrants or for obtaining duplicate warrants.

The Board has not recommended any further dividend for the year ended 31st March, 2020 and as such the aforesaid interim dividend be treated as final dividend.
- 9 In terms of Regulation 40 of the Listing Regulations, as amended, with effect from 1st April, 2019, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, requests for physical transfer of securities are not being processed from 1st April, 2019 onwards. However, Members can continue to hold shares in physical form. In view of the above and to avail free transferability of shares and various benefits of dematerialisation and also to eliminate the risks associated with physical holding of shares, members are advised to dematerialise shares held by them in physical form. A Guidance note on procedure for dematerialisation of shares held in physical form is also placed on the website of the Company under 'Investors' section.
- 10 Members holding shares in physical mode-
 - (a) are required to submit/ update their Permanent Account Number (PAN) and bank account details to the Company / RTA, if not registered with the Company as mandated by SEBI.
 - (b) are advised to register nomination (if not already registered) in respect of their shareholding in the Company using Form SH-13. Change in nomination can also be done using

Form SH-14. Both forms are available on the Company's website www.centuryply.com under the 'Investors' section.

- (c) are requested to register / update their e-mail address with the Company / RTA for receiving all communications from the Company electronically.
 - (d) are requested to update any change in their address to the Company / RTA.
- 11 Members holding shares in electronic mode:
- (a) are requested to submit/ update their PAN and bank account details to their respective Depository Participants (DPs) with whom they are maintaining their demat accounts.
 - (b) are advised to contact their respective DPs for registering/ changing their nomination.
 - (c) are requested to register / update their e-mail address with their respective DPs for receiving all communications from the Company electronically.
 - (d) are requested to update any change in their address to their respective DPs
- 12 Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or its RTA, the details of such folios together with the share certificates and self-attested copies of the PAN for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or its RTA for assistance in this regard.
- 13 Members seeking any information regarding accounts are requested to write to the Company at least seven days before the date of the meeting through email at investors@centuryply.com so as to enable the management to keep the same ready on the date of AGM and to reply suitably.
- 14 The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act, Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Act and all other documents referred to in this Notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to the Company at investors@centuryply.com.
- 15 The Company has transferred the unpaid/ unclaimed dividend for the years prior to and including the Financial Year 2012-13, from time to time, on respective due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. The Company has been sending reminders to those members having unpaid/unclaimed dividends before transfer of such dividend(s) to IEPF. The Company has also uploaded the details of unpaid/ unclaimed amounts lying with the Company, on the website of the Company (www.centuryply.com)

com) as also on the website of the Ministry of Corporate Affairs. Members who wish to claim dividends, which remain unclaimed, are requested to correspond with the Company or its RTA. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the IEPF on due dates.

- 16 Members are requested to note that dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). The shares in respect of which dividends have not been encashed consecutively for a period of 7 years, are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF-5 available on www.iepf.gov.in.

The Company had sent intimation in this regard to all the shareholders who have not claimed/encashed their dividends consecutively for the last seven years. The Company had also simultaneously published notice in the leading newspapers in this regard and also uploaded on the "Investors Section" of the Company's website, details of such shareholders and shares which have been/ are due for transfer to IEPF Account.

17 INFORMATION AND OTHER INSTRUCTIONS RELATING TO E-VOTING ARE AS UNDER:

- a) Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended from time to time) read with relevant MCA Circulars and Regulation 44 of the Listing Regulations, the Company is pleased to provide facility of remote e-voting as well as e-voting on the date of the AGM to all Members in respect of items to be acted at this AGM for which the Company has engaged the services of National Securities Depository Limited (NSDL). The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- b) The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Wednesday, 2nd September, 2020 being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on cut-off date should treat this notice for information purpose only. Members who have acquired shares after the despatch of the Notice of AGM and before the cut-off date may approach the Company for issuance of the User ID and Password for exercising

their right to vote by electronic means.

- c) The remote e-voting period will commence at 9.00 a.m. on Saturday, 5th September 2020 and will end at 5.00 p.m. on Tuesday, 8th September, 2020. The remote e-voting shall not be allowed beyond 5.00 p.m. on Tuesday, 8th September, 2020. At the end of remote e-voting, the e-voting module shall be disabled by NSDL for voting thereafter.
- d) The voting rights shall be as per the number of equity shares held by the Member(s) holding shares either in physical form or in dematerialized form, as on Wednesday, 2nd September, 2020, i.e. cut-off date.
- e) The Members who have cast their votes through remote e-voting prior to the meeting may still attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again. In case any Member who had voted through Remote e-voting, casts his vote again at the e- Voting provided during the AGM, then the Votes cast during the AGM through shall be considered as invalid.
- g) The Company has appointed Sri Manoj Kumar Banthia (ACS- 11470/ CP- 7596) and failing him, Sri Raj Kumar Banthia (ACS- 17190/CP-18428) of M/s MKB & Associates, Company Secretaries in Practice, Kolkata, as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process and ensure that the same is carried out in a fair and transparent manner.
- h) The Scrutinizer, after scrutinising the votes cast at the meeting and through remote e-voting, will, not later than forty eight hours of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman or to the person authorised by him. The results declared along with the consolidated scrutinizer's

report shall be placed on the website of the Company www.centuryply.com and that of NSDL www.evoting.nsd.com, besides being displayed on the Notice Board of the Company at its Registered Office. The results shall simultaneously be communicated to the Stock Exchanges where the shares of the Company are listed.

i) PROCEDURE FOR E-VOTING

The details of the process and manner for casting vote electronically on NSDL are explained herein below:

Step 1: Log-in to NSDL e-voting system at <https://www.evoting.nsd.com/>

Step 2: Cast your vote electronically on NSDL e-voting system.

Details on Step 1 are mentioned below:

How to Log-in to NSDL e-voting website?

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a personal computer or on a mobile phone.
2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under "Shareholders" section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. cast your vote electronically.

YOUR USER ID DETAILS ARE GIVEN BELOW:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical		Your User ID is:
A.	For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
B.	For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****
C.	For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example, if EVEN is 123456 and folio number is 001*** then user ID is 123456001***

4. Your password details are given below:
 - i. If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
 - ii. If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
5. How to retrieve your 'initial password'?
 - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL in your mailbox from evoting@nsdl.com. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical

form. The .pdf file contains your 'User ID' and your 'initial password'.

- ii. In case you have not registered your email address with the Company/ Depository, please follow instructions mentioned below in **process for those shareholders whose email ids are not registered**.
6. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:
- i. Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - ii. **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - iii. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - iv. Members can also use the one-time password (OTP) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, click on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-voting will open.

Details on Step 2 are mentioned below:

How to cast your vote electronically on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of the Company.
4. Now you are ready for e-voting as the Voting page opens
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Corporate and institutional shareholders (companies, trusts, societies etc.) are required to send a scanned copy (PDF / JPG format) of the relevant Board Resolution / appropriate authorisation, together with the attested specimen signature(s) of the authorized signatory(ies) who are authorized to vote, to the Scrutinizer via email at: scrutinizermkb@gmail.com, with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on <https://www.evoting.nsdl.com> to reset the password.
3. In case of any queries relating to e-voting you may refer to the FAQs for Shareholders and e-voting user manual for Shareholders available at the download section of <https://www.evoting.nsdl.com> or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in. In case of any grievances connected with facility for e-voting, please contact Ms. Pallavi Mhatre, Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013; Email: evoting@nsdl.co.in/pallavid@nsdl.co.in; Tel: 91 22 2499 4545/ 1800-222-990.

Process for those shareholders whose email IDs are not registered with the depositories for procuring user ID and password and registration of email IDs for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode, please provide Folio No., Name of shareholder, Number of Equity Shares held, scanned copy of the share certificate (front and back) along with self-attested scanned copy of PAN card, self-attested scanned copy of any document (such as AADHAAR card / latest Electricity Bill / latest Telephone/Mobile Bill / Driving License / Passport / Voter ID Card / Bank Passbook particulars) in support of the postal address of the Member as registered against their shareholding, by email to the Company at investors@centuryply.com or the RTA at mdpldc@yahoo.com.

In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16

digit beneficiary ID), Name, client master or copy of Consolidated Account statement, self-attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card to the Company at investors@centuryply.com or the RTA at mdpldc@yahoo.com.

2. Alternatively, member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

18 INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:

- i. Members will be able to attend the AGM through VC/OAVM by using the facility provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-voting login credentials and selecting the EVEN for Company's AGM. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system of NSDL.
- ii. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Members under the category of Institutional Investors are encouraged to attend the AGM and also vote through remote e-Voting or e-Voting during the AGM.
- iii. Members are encouraged to join the Meeting through Laptops for better experience. Further, Members will be required to allow access to camera and use internet with a good speed to avoid any disturbance during the meeting. Please note that participants connecting from mobile devices or tablets or through Laptop connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- iv. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/ 1800-222-990 or contact Mr. Amit Vishal, Senior Manager – NSDL at amitv@nsdl.co.in/ 022-24994360 or Ms. Pallavi Mhatre, Manager at pallavid@nsdl.co.in / 022-24994545.
- v. Members who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email IDs, mobile number at investors@centuryply.com from Thursday, 3rd September, 2020 to Saturday, 5th September, 2020 (till 5:00 p.m. IST) (both days inclusive). The same will be replied by the company suitably.
- vi. Members who would like to express their views or ask questions during the AGM may register themselves as a

speakers by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at investors@centuryply.com from 3rd September, 2020 to Saturday, 5th September, 2020 (till 5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

- 19 As per MCA Circulars and SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, electronic copies of the Notice of AGM and Annual Report are being sent only by email to those members whose email addresses are registered with the Company / Depository Participant(s). Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.centuryply.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL www.evoting.nsdl.com.
- 20 To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company's RTA in case the shares are held in physical form by sending the duly filled in E-communication registration form enclosed with this Notice to our RTA on their email ID mdpldc@yahoo.com or to the Company at investors@centuryply.com so as to receive all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
- 21 An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts in respect of Special Business under item no. 6 of the Notice, is annexed hereto.
- 22 Information in terms of Regulation 36(3) of the Listing Regulations, the Companies Act, 2013 and 'Secretarial Standards on General Meetings' (SS-2), in respect of Directors seeking appointment/ re-appointment at this AGM, is annexed hereto.
- 23 Since the AGM will be held through VC / OAVM, Route Map is not annexed in this Notice.

By Order of the Board
For **Century Plyboards (India) Ltd.**

Sd/-
Sundeep Jhunjhunwala
Company Secretary

Date: 26th June, 2020

Registered Office
P-15/1, Taratala Road
Kolkata- 700 088

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013

ITEM NO. 6

Appointment of Sri Amit Kiran Deb (DIN: 02107792), as an Independent Director of the Company

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 3rd February, 2020, approved the appointment of Sri Amit Kiran Deb (DIN: 02107792), as an Additional Director on the Board of the Company in Independent category with effect from 1st April, 2020 for a term upto 30th September, 2023, subject to regularization/approval by the shareholders of the Company at the AGM.

Sri Deb is a retired officer of Indian Administrative Service and was assigned West Bengal Cadre. He has done B.A. in Political Science from Ravenshaw College, Cuttack and holds a Master's Degree in Political Science from Allahabad University. Sri Deb had joined Indian Administrative Service in 1971. After serving as Sub Divisional Officer in two Sub Divisions (Tamluk & Diamond Harbour) and then as Additional District Magistrate in Malda, he joined Government of India in the Department of Supply & Rehabilitation as Under Secretary, Integrated Finance and served in this capacity from 1977 to 1980. He has served as District Magistrate of Darjeeling and Midnapore districts, Commissioner-cum-Secretary at Education and Social Welfare Departments of Government of Tripura, Joint Secretary and Cabinet Secretariat at Department of Electronics of Government of India, Municipal Commissioner at Calcutta Municipal Corporation, Special Secretary at Power Department, Secretary at Tourism Department, Principal Secretary at Information and Cultural Affairs Department and Principal Secretary to Chief Minister, West Bengal. He has also served as an Additional Chief Secretary, Home & Home Secretary of Government of West Bengal. Prior to his retirement, he served as Chief Secretary, Government of West Bengal. Currently, he is serving as Independent Director on the Boards of several companies including Emami Limited, Skipper Limited, Indian Power Corporation Limited, etc. Brief resume, nature of his expertise in specific functional areas, names of companies in which he hold directorships, committee memberships/ chairmanships, his shareholding, and other details as required under the Listing Regulations and Secretarial Standard on General Meetings, are separately annexed hereto.

In terms of Section 161(1) of the Companies Act, 2013, Sri Amit Kiran Deb holds office upto the date of the ensuing Annual General Meeting of the Company and is eligible for appointment as a

Director, not liable to retire by rotation, subject to the approval of the shareholders. The Company has received notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Sri Amit Kiran Deb for the office of Independent Director of the Company. The notice is available for inspection by the members in electronic mode. Members desirous to inspect the same can send an email at investors@centuryply.com.

The Company has received from Sri Amit Kiran Deb (i) consent to act as Director, if appointed, in writing in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014, (ii) disclosure in Form DIR-8 pursuant to Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013 and (iii) declaration to the effect that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act, Rules thereunder and under the Listing Regulations.

Copy of draft letter of appointment of Sri Amit Kiran Deb setting out the terms and conditions of appointment shall be open for inspection by the Members in electronic mode. Members can inspect the same by sending an email to investors@centuryply.com.

In terms of Section 152 of the Companies Act, 2013 read with Rules framed thereunder, the Board of Directors is of the opinion that Sri Amit Kiran Deb, proposed to be appointed as Director, fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder and Listing Regulations and that he is independent of the Company's management. He also possesses appropriate skills, experience and knowledge required for discharge of his duties as an Independent Director. His vast knowledge and varied experience will be of immense value to the Company and hence his appointment as an Independent Director is justified in terms of Secretarial Standards on General Meeting (SS-2).

Except Sri Amit Kiran Deb and his relatives, no other Director, Key Managerial Personnel or their respective relatives is interested or concerned, in any way, in the Resolution set out in item no. 6 of this Notice. This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board of Directors recommends the Ordinary Resolution as set out in Item no. 6 for your approval.

ANNEXURE TO THE NOTICE

Details of Directors seeking appointment/ re-appointment at the Annual General Meeting
(Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015,
Companies Act, 2013 and 'Secretarial Standards on General Meetings')

Name	Sri Hari Prasad Agarwal (3)	Sri Prem Kumar Bhajanka (4)	Sri Amit Kiran Deb (6)
Director's Identification Number (DIN)	00266005	00591512	02107792
Age (Years)	72	62	71
Nationality	Indian	Indian	Indian
Qualifications	Commerce Graduate	Commerce Graduate	(i) B.A. (Hons.) in Political Science; (ii) M.A. in Political Science; and (iii) Indian Administrative Service (IAS)
Experience (Years)	47	40	47
Expertise in specific functional area	Management, Administration & Finance	Production, Management & Administration	Management & Administration
Date of first appointment on the Board of the Company	05.01.1982	16.04.2008	01.04.2020
Shareholding in the Company (equity shares of F.V. ₹1 each.)	2451574	4672561	Nil
Terms and conditions of appointment/ reappointment and details of remuneration			
Terms and conditions	Tenure as Executive Director upto 31.05.2022 Liable to retire by Rotation	Tenure as Executive Director upto 31.07.2023 Liable to retire by Rotation	Tenure upto 30.09.2023 Not Liable to retire by Rotation
Present ceiling of Remuneration (₹) p.a. #	Fixed- ₹2,40,00,000 Commission-1% of the net profits in a particular financial year	Fixed- ₹2,40,00,000 Commission- 2% of the net profits in a particular financial year	Maximum aggregate commission of one percent of the net profits of the Company for each financial year for all Non-executive Directors of the Company, with additional limits as prescribed under Regulation 17(6) of the Listing Regulations.
Last drawn remuneration (₹) p.a.	Fixed- ₹60,00,000 Commission- Nil^	Fixed- ₹1,20,00,000 Commission- Nil^	NIL
Number of Board Meetings attended during the FY 2019-20 (out of 4 held)	4	2	Not applicable

List of directorships held in other Companies (excluding Foreign Companies)	<ol style="list-style-type: none"> 1. Century Plantations Ltd. 2. Brijdham Merchants Pvt Ltd 3. Amul Boards Pvt.Ltd. 4. Century Plyboards (Meghalaya) Ltd. 5. Landmark Veneers Pvt.Ltd. 6. Shyam Century Cement Industries Ltd. 7. Megha Technical and Engineers Pvt.Ltd. 8. Shyam Century Metallic Ltd. 9. Pushpanjali Abasan Pvt.Ltd. 10. Century Sumeru Development Ltd. 11. Fine Infraprojects Pvt.Ltd. 12. Century Crop Sciences Pvt. Ltd. 13. Century Sumeru Infrastructure Ltd. 	<ol style="list-style-type: none"> 1. Star Cement Ltd. 2. Namchic Tea Estate Pvt.Ltd. 3. Lal Pahar Tea Estate Pvt.Ltd. 4. Auro Sundram Ply and Door Pvt.Ltd. 5. Profound Cement Works Ltd. 6. Meghalaya Power Ltd. 7. Star Cement Meghalaya Ltd. 	<ol style="list-style-type: none"> 1. Skipper Ltd. 2. India Power Corporation Ltd. 3. Emami Ltd. 4. Hiranmaye Energy Ltd. 5. India Power Corporation (Bodhgaya) Ltd. 6. Bengal Ambuja Housing Development Ltd. 7. Star Cement Ltd. 8. Meghalaya Power Ltd. 9. B & A Ltd.
Membership/ Chairmanships of Committees of Boards of other Companies*	<p>Membership in Audit Committee:</p> <ol style="list-style-type: none"> 1. Megha Technical and Engineers Pvt. Ltd. 	None	<p>Chairmanship in Audit Committee:</p> <ol style="list-style-type: none"> 1. India Power Corporation Ltd. 2. Star Cement Ltd. <p>Membership in Audit Committee:</p> <ol style="list-style-type: none"> 1. Emami Ltd. 2. Skipper Ltd. 3. Bengal Ambuja Housing Development Ltd. 4. Hiranmaye Energy Ltd. 5. India Power Corporation (Bodhgaya) Ltd. 6. Meghalaya Power Limited <p>Membership in Stakeholders Relationship Committee:</p> <ol style="list-style-type: none"> 1. Skipper Ltd.
Relationship with other Directors, Manager and Key Managerial Personnel of the Company	None	None	None

calculated in the manner referred to in Section 198 of the Companies Act, 2013

^ forgone voluntarily

* Pursuant to Regulation 26 of the Listing Regulations, only two Committee viz. Audit Committee and Stakeholders Committee have been considered.

E-COMMUNICATION REGISTRATION FORM

(Only for members holding shares in physical form)

To,

MAHESHWARI DATAMATICS PRIVATE LIMITED

UNIT: Century Plyboards (India) Limited

23, R N Mukherjee Road, 5th Floor,

Kolkata - 700 001.

Phone No. 033- 22435029/2248-2248

Email : mdpldc@yahoo.com

Dear Sir / Madam,

I hereby register / update my email address provided below for receiving all communication from the Company through electronic mode:

Folio No. / DP ID & Client ID

Name of the First Registered Holder

Name of the Joint Holder(s), (if any)	

Registered Address	

Email ID (to be Registered)

Signature of the First Registered Holder

Date:

Notes:

1. On registration/ updation, all the communications will be sent to the registered e-mail ID.
2. The form is also available on the website of the Company www.centuryply.com under the "Investors" section.
3. Members holding shares in electronic mode are requested to ensure to keep their e-mail ID updated with the Depository Participants with whom they are holding their Demat Account.
4. Members are requested to keep their depository participants / Company's Registrar- Maheshwari Datamatics Private Limited informed as and when there is any change in the e-mail ID. Unless, the email ID given hereunder is changed by you by sending another communication in writing, the Company will continue to send all the communication to you on the above mentioned email ID.

TRANSFORMING

**HOW WE ARE TRANSFORMING
UNPRECEDENTED CHALLENGES
INTO OPPORTUNITIES**

ANNUAL
REPORT
2020

16 **4** LEARNINGS
FROM THE
LOCKDOWN

44 **CENTURYPLY.**
GREEN
FOOTPRINT



CENTURYPLY CONTENTS

ANNUAL REPORT 2019-20



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10	Key strategic direction, performance and road ahead	30	An analysis of the various business-strengthening initiatives in 2019-20	48	Digitalisation, modernisation and automation at Centuryply	118	Management Discussion and Analysis
10	How Centuryply has selected to do business	32	Sales and distribution	49	How Centuryply has transformed over the years	126	Report on Corporate Governance
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16	4 learnings from the lockdown	36	How Century has built on a culture of product innovation			209	Consolidated Financials
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22	Interview with the management	40	What the world thinks of Centuryply				
25	The strength of Centuryply's financials	41	11 reasons why wood panel products are environment-friendly				

Forward-looking statement: In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman and Managing Director

Sajjan Bhajanka

Executive Directors

Hari Prasad Agarwal

Sanjay Agarwal

Prem Kumar Bhajanka

Vishnu Khemani

Ajay Baldawa

Keshav Bhajanka

Nikita Bansal

Independent Directors

Amit Kiran Deb

Debanjan Mandal

J.P. Dua

Mamta Binani

Probir Roy

Santanu Ray

Sunil Mitra

Vijay Chhibber

Chief Financial Officer

Arun Kumar Julasaria

Company Secretary

Sundeep Jhunjhunwala

AUDITORS

Singhi & Co.

Chartered Accountants

161, Sarat Bose Road

Kolkata 700026

BANKERS

Indian Bank

Union Bank of India

HDFC Bank

DBS Bank India Ltd.

Standard Chartered Bank

COMMITTEES

Audit Committee

Santanu Ray (Chairman)

J.P. Dua

Probir Roy

Hari Prasad Agarwal

Corporate Social Responsibility Committee

Sajjan Bhajanka (Chairman)

Hari Prasad Agarwal

Sunil Mitra

Share Transfer Committee

Hari Prasad Agarwal (Chairman)

Ajay Baldawa

Keshav Bhajanka

Finance Committee

Sajjan Bhajanka (Chairman)

Hari Prasad Agarwal

Sanjay Agarwal

Nomination and Remuneration Committee

Vijay Chhibber (Chairman)

Mamta Binani

Santanu Ray

Stakeholders Relationship Committee

Mamta Binani (Chairman)

Hari Prasad Agarwal

Nikita Bansal

Risk Management Committee

Sanjay Agarwal (Chairman)

Keshav Bhajanka

Arun Kumar Julasaria

MAJOR PLANT LOCATIONS

Plywood & Veneer Units

- Kanchowki, Bishnupur, District: 24 Parganas (S), West Bengal
- Chinnappolapuram, Gummidipoondi, Tamil Nadu
- Rambha Road, Taraori, Haryana
- Mirza Palashbari Road, Kamrup, Assam
- Village Moti Chirai, Taluka Bhachau-Kachchh, Gujarat

Plywood & Veneer Units (Owned by subsidiaries)

- Roorkee, Uttarakhand
- Yangon, Myanmar
- Attapeu, Laos
- Savannakhet, Laos
- Gabon, Africa

Laminate

- Kanchowki, Bishnupur, District: 24 Parganas (S), West Bengal

MDF

- Village Doulowal, Tehsil and Dist: Hoshiarpur, Punjab

Particle Board

- Chinnappolapuram, Gummidipoondi, Tamil Nadu

Container Freight Station

- Block- B & C, Sonai, Khidderpore, Kolkata, West Bengal
- Hide Road, Brace Bridge, Khidderpore, Kolkata, West Bengal

REGISTERED OFFICE

P-15/1, Taratala Road, Kolkata – 700088

Phone: 033-39403950

Fax: 033-24015556

REGISTRAR AND SHARE TRANSFER AGENT

Maheshwari Datamatics Pvt. Ltd.

23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700001, West Bengal

Phone: 033-2243 5029, Email: mdpldc@yahoo.com

WEBSITE

www.centuryply.com

EMAIL

investors@centuryply.com

CIN

L20101WB1982PLC034435

ISIN

INE348B01021



AMONG INDIA'S TRUSTED INTERIOR
INFRASTRUCTURE BRANDS.

ENJOYING MORE THAN 25% SHARE
OF INDIA'S ORGANISED PLYWOOD
MARKET.

TRANSFORMING CHALLENGES INTO
OPPORTUNITIES THROUGH AGILITY
AND RESILIENCE.

THIS VERY MINUTE...

...There is someone in Africa managing a plantation that will generate the hardwood for Centuryply in India.

... There are thousands of workers overlooking Centuryply's manufacturing operations across 12 units in India.



... There are hundreds of intermediaries trading Centuryply shares on the country's largest stock exchanges.

... There are hundreds of trade partners distributing Centuryply's products across the last mile right down to the smallest towns.

... There are thousands of consumers venturing to buy Centuryply's products across hundreds of locations.



THE FASCINATING WORLD

Pedigree

Centuryply is more than a company manufacturing interior infrastructure products; it is a market leader and industry statesman years. The Company was promoted by Mr. Sanjay Agarwal (Managing Director) and Hari Prasad Agarwal and later joined by Mr. Sajjan Bhajanka (Chairman). The promoters are aided by a team of professionals with rich industry experience. The Company has curated a Board with Directors drawn from various fields, providing the Company with valuable strategic direction.

ECO-SYSTEM

12

Number of Centuryply manufacturing units across India and abroad *

INSTALLED CAPACITY

239000

Plywood manufacturing capacity (CBM)

7.5

Laminates manufacturing capacity (million sheets)

198000

MDF manufacturing capacity (CBM)

54,000

Particle boards manufacturing capacity (CBM)

156,000

TEUs, Container freight station capacity (twenty-foot equivalent units) proximate to Kolkata Port

OF CENTURYPLY

TOTAL INCOME

2,293.76

₹ crore, 1% growth
over 2018-19

EBITDA

315.18

₹ crore

PAT

158.17

₹ crore

MANUFACTURING PERFORMANCE, 2019-20

79

(%), Plywood capacity
utilisation (77% in
2018-19)

102

(%), Laminates
capacity utilisation
(104% in 2018-19)

82

(%), MDF capacity
utilisation (65% in
2018-19)

116

(%), Particle Boards
capacity utilisation
(107% in 2018-19)

25

% share of India's
organised plywood
sector

*Joka (West Bengal), Guwahati (Assam), Kandla (Gujarat), Chennai (Tamil Nadu), Karnal (Haryana) and Hoshiarpur (Punjab). The units in Roorkee (Uttarakhand), Myanmar, Laos and Gabon are managed by the Company's subsidiary companies.

CHAIRMAN'S OVERVIEW

Dear Shareholders

OVERVIEW

In 2019-20, India reported its slowest GDP growth in 11 years.

India's real estate sector remained subdued. Consumer spending was muted. Commercial office activity could have been stronger.

Despite these challenges, Centuryply reported revenue growth of 1% and protected its PAT even as margins declined.

Towards the close of the financial year under review, our performance was affected by the nationwide lockdown on account of the Covid-19 pandemic, the effects of which extended into the current financial year.

The only safeguard employed by our Company in this uncertain environment was a willingness to transform and adapt with agility.

REVIEWING OUR PERFORMANCE, 2019-20

A number of years ago, we broad-based our product platform from an excessive dependence on plywood to adjacent product categories.

The result is that during the year under review, we possessed a wide and deep presence across plywood, laminates, medium density

fibre and particle boards.

This platform reinforced our positioning as an interior infrastructure player providing consumers with choice, room to upgrade and a portfolio to suit every budget.

This positioning stood the Company in good stead during the year under review. Even as demand from new home buyers and real estate projects remained weak translating into a weaker plywood offtake across our premium brands, our affordable Sainik range reported attractive traction. The result is that our price-sensitive market warriors grew attractively.

Century's laminates generated a respected recall in India's organised laminates segment. The Company emerged as a prominent player in the 1 mm laminate segment. In just five years, the Company increased its laminates capacity 60%, a validation of its growing acceptance. Despite the prevailing headwinds during the year under review, the Company's laminates business reported over 5% revenue growth during the year under review.

The last couple of years were challenging for the Indian MDF sector. This was on account of cheaper imports,

domestic oversupply and weaker realisations. Despite these challenging realities, our MDF business reported a capacity utilisation of around 82%, among the highest in India's competitive MDF sector. The business leveraged the Century brand to carve out a sizable OEM presence, the principal MDF demand driver. We believe that these OEM relationships should translate into multi-year revenues. Our particle board unit operated at 116% of its capacity and the Company intends to invest in a greenfield unit in Uttar Pradesh.

The Company's CFS business continued to perform creditably despite headwinds in global trade. The Kolkata Port reported another busy year in 2019-20; our business delivered more than 38% capacity utilisation. The CFS business is margins-accretive and profitable. During the year under review, our CFS business reported revenues of ₹86.5 crore and EBITDA of ₹29.22 crore; our 33.8% EBITDA margin compared favourably with 32.4% in 2018-19.

Centuryply ended 2019-20 with a strong Balance Sheet. Despite over ₹835 crore in capital expenditure in five years, long-term debt on the Company's books stood at less than ₹53 crore

corresponding to a total debt-equity ratio of 0.18 and long-term debt equity ratio of 0.05. Our inventory optimisation initiatives helped moderate working capital and corresponding limits from bankers. We continued to widen and deepen our pan-India distribution network.

The result is that Centuryply was rightly-sized in the middle of a prevailing slowdown and lockdown to stay viable and liquid through this challenging economic phase.

I must add here that as our Laos plant discontinued operations on account of impaired viability, the management took a conscious decision to make a one-time write-off that impacted our profitability in 2019-20. We have been engaged in discussions with a local Laos partner to commence operations and restore viability.

CHALLENGES AHEAD

A lockdown was imposed across India starting the last week of March 2020, which extended into the first quarter of the current financial year. Our operations were discontinued immediately; we resumed operations across all our plants from May 2020 and reported a



35% capacity utilisation for May 2020 and 60% for June 2020.

The year 2020-21 will be challenging on account of the prevailing uncertainty. Apartment sales hit a multi-year low; new commercial office signings could remain subdued; interiors revamp may not be a priority during the current financial year. The declining labour availability is expected to

affect interior construction and fit-outs, which largely influence the offtake of our products.

At Centuryply, we expect that the recovery could be faster for segments like MDF and particle boards, which find application in factory-made furniture utilising a lower proportion of manual labour. Besides, we expect that the demand for ready-made furniture

will continue to grow, driven by the changing preference of Indian consumers who seek ease of purchase. With online retail growing rapidly, the furniture retail momentum is likely to sustain.

OUTLOOK

Despite the prevailing headwinds, India's economic fundamentals remain strong. The relief

package announced by the Indian government is expected to revive the economy across the medium-term coupled with the government's focus on affordable housing. We expect that plywood will grow for the affordability, availability and accessibility of customised furniture. At Centuryply, we will deepen our distribution network to restore sales to pre-Covid levels. Besides, our sales force automation is directed to enhance employee productivity. We strengthened our environment sustainability through the installation of rooftop solar panels across our manufacturing units.

NOTE OF THANKS

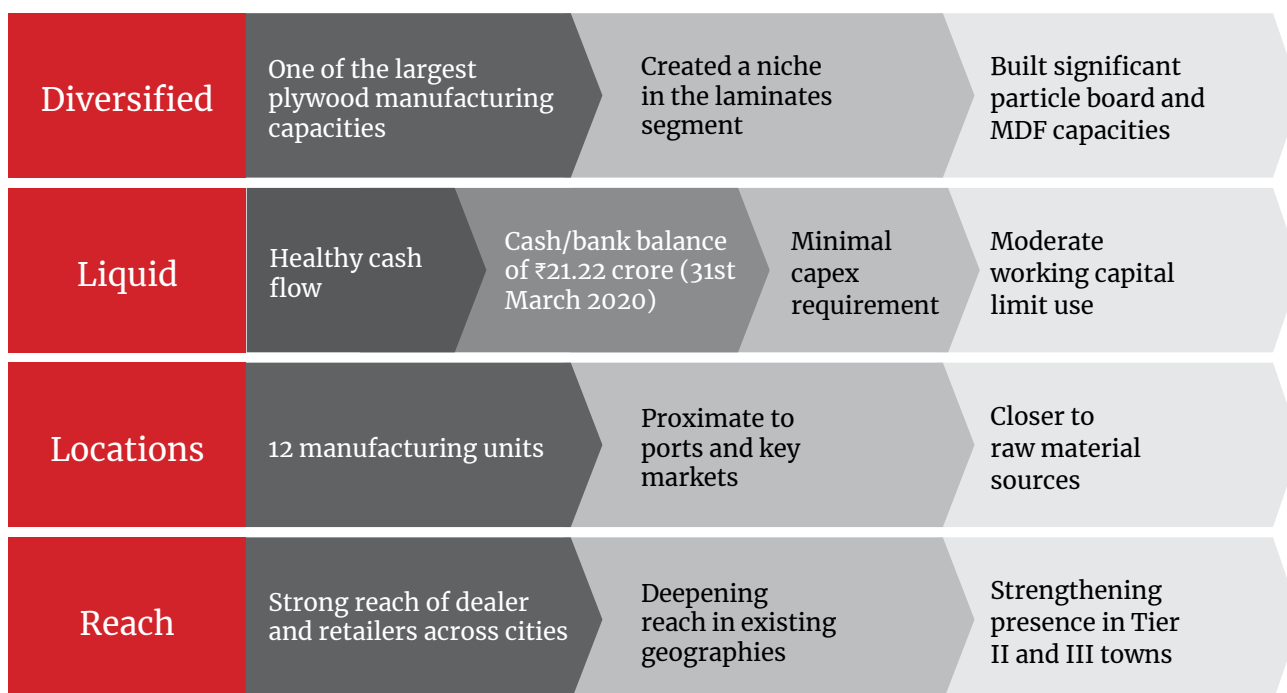
I must assure our stakeholders that we have built our business with the long-term objective to emerge as Sarvada Sarvottam (The best always). This should empower us to remain the last person standing during a business trough and be the first off the blocks during a revival. We believe that this desired positioning will be validated during a challenging 2020-21. As soon as growth returns, we expect to start enhancing value in an attractive way once again.

Sajjan Bhajanka
Chairman

KEY STRATEGIC DIRECTION, PERFORMANCE...

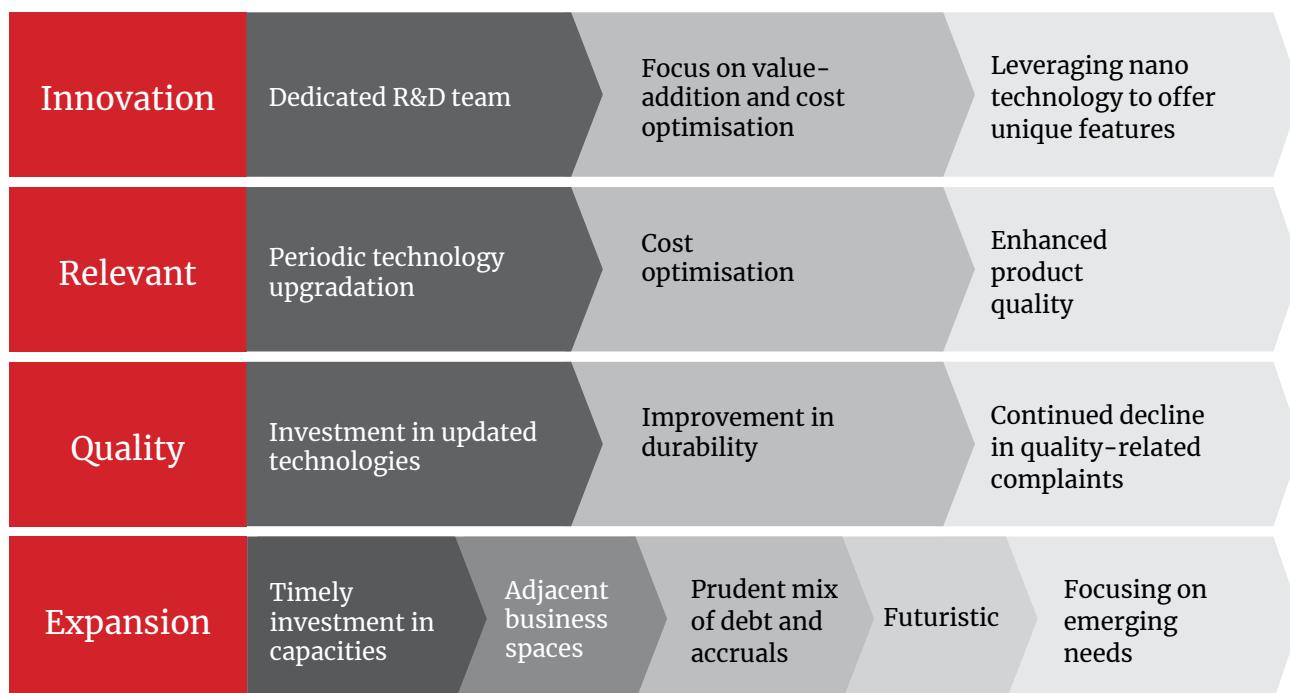
Key strategy	Performance in 2019-20	Outlook
Strengthen our Balance Sheet	<ul style="list-style-type: none"> Repaid ₹68.41 crore of term loans and ECB loans of ₹24.14 crore Surrendered ₹245 crore of working capital limits with banks Cash in hand and bank of ₹21.22 crore (31st March 2020) 	<ul style="list-style-type: none"> Sustain reduction in working capital outlay Strengthen inventory management Protect cash flows
Reduce dependence on plywood; widen product offering	<ul style="list-style-type: none"> Non-plywood business was an increased 6.5% of the Company's revenues in 2019-20 The Company launched various value-added laminates and MDF products 	<ul style="list-style-type: none"> Strengthen non-plywood revenues (proposed greenfield particle boards plant in Uttar Pradesh)

HOW CENTURYPLY HAS SELECTED TO DO BUSINESS



...AND ROAD AHEAD

Key strategy	Performance in 2019-20	Outlook
Optimise inventory for raw materials and finished goods	<ul style="list-style-type: none"> Implemented recommendations of the external consultant (Theory of Constraints) Substantially reduced finished products and raw material inventory 	<ul style="list-style-type: none"> Moderate inventory to reduce working capital outlay
Penetrate the market deeper	<ul style="list-style-type: none"> Penetrated deeper across markets Added dealers and distributors Provided dealers 60-day credit to counter lockdown sluggishness 	<ul style="list-style-type: none"> Deepen penetration in Tier II and III cities and towns



CENTURYPLY. TRANSFORMING CHALLENGES INTO OPPORTUNITIES

AT CENTURYPLY,
WE BELIEVE
THAT THERE IS
AN OPPORTUNITY
IN EVERY
CHALLENGE.

By Keshav Bhajanka, Executive Director







OVERVIEW

At Centuryply, we believe that there is an opportunity in every challenge.

This is no different this time. In spite of an unprecedented uncertainty in view of the Covid-19 pandemic, we continued to believe that for an industry leader like Centuryply, there is a need to protect business fundamentals on the one hand and seek opportunities on the other.

At Centuryply, we believe that by investing in business sustainability across the decades, we now possess a model that is relatively liquid and profitable even during the pandemic.

We expect to strengthen this leanness during the financial year, making it possible to strengthen our relative competitiveness during the downturn and accelerate our recovery as soon as consumer sentiment revives.

STRENGTHENING THE BUSINESS

Centuryply's principal strength is derived from its

under-borrowed Balance Sheet. Over the last number of years, the Company consciously drew down debt from a peak of ₹468 crore in 2019 to ₹189 crore during the financial year under review despite engaging in capital expenditure of over ₹835 crore in the five years ending 2019-20.

By the virtue of reinvesting our accruals in capacity expansion, enhancing our brand salience, strengthening our trade terms, maximising portfolio value-addition and repaying liabilities, we were able to strengthen our business sustainability across market cycles.

This blend of caution and measured risk-taking made it possible for our Company to report profitable growth during the last decade.

At the heart of this growth lay the ability to add to our manufacturing capacity at a relatively low cost, commission plants in locations of growing demand and reduce logistics costs in getting raw material to

plants and the end product from plants to markets.

During the year under review, the Company focused on growing the volume side without compromising business quality. The Company engaged a consultant to streamline in-trade inventory, accelerate the product delivery cycle and deliver smaller quantities of material to trade partners in quicker replenishment cycles. The result is that a number of trade partners reported a superior return on their working capital outlay, which made it possible for them to stock a larger quantity of Centuryply products and, in turn, grow demand across their catchment areas.

The outcome of this streamlining was reflected in a decline in our short-term loans from ₹336 crore at the end of 2018-19 to ₹168 crore at the end of 2019-20. This indicated that we are at the point when we are equipped to do a larger quantum of business with a disproportionately

lower quantum of funds, the basis of our financial sustainability.

LOWER INTEREST COST

The impact of a superior Balance Sheet was reflected in access to short-term loans at attractive rates from banks. The Company's average debt cost during the year under review was one of the lowest in our sector and compared favourably with peak debt some years ago.

LEAN STRUCTURE

At Centuryply, we pride on generating more from less – across all resources. In line with the growing volume of our business, we generated economies of procurement, derived superior yields from raw materials and reported higher human productivity. The Company consistently focused on a culture of conservative austerity; the cumulative salary of the promoter-Directors was less than 0.29% of the total cost of the Company. This austerity was emphasised during the lockdown when the promoter-Directors took a conscious decision to not



draw any salary, protecting liquidity and sustainability.

OVERHEADS MANAGEMENT

During the lockdown, the Company re-appraised various cost heads and expects to save ₹20 crore in 2020-21. The Company introduced a salary moderation program as per employee seniority, coupled with the assurance of correcting the remuneration in the event of superior performance. We believe that this communication transparency has helped protect cash flows on the one hand and enhanced employee resolution to perform better. The use of video conferencing applications is expected to enhance remote communication, moderating travel expenditure.

SALES FORCE AUTOMATION

The Company capitalised on the work-from-home opportunity to introduce productivity tools. The Company implemented sales force automation with the objective to improve sales

team productivity during business normalisation.

CAPEX PLANS

The Company invested adequately in manufacturing capacities. As the particle boards capacity utilisation peaked, the Company announced plans for a greenfield unit in Sitapur, Uttar Pradesh. However, National Green Tribunal revoked the licenses of all upcoming units and the matter is sub judice. The Company remains committed to obtain a license through an alternative route, coupled with a ₹450 crore project implementation programme across 15 months though the timing of this expansion is undecided in view of the prevailing business environment.

RESUMING OPERATIONS

The Company resumed operations at its manufacturing facilities following safety precautions. In May 2020, the Company's facilities reported a moderate capacity utilisation. The MDF and

The use of video conferencing applications is expected to enhance remote communication, moderating travel expenditure.

particle boards segments could recover faster as these are used in the fabrication of furniture through the use of automated machines at a time when reverse migration has reduced the availability of labourers and carpenters.

DEALER MANAGEMENT

Centuryply's products are distributed through a robust network of dealers pan-India. To assist dealers counter the pandemic impact, Centuryply provided near-interest-free credit for 60 days to channel partners, enhancing trade confidence and stocking.

KEY MESSAGE

Centuryply thrives in adversity. After tree felling was banned in 1996 and its business model was affected, Centuryply delivered a

record performance in 1997. When Myanmar banned timber exports, Centuryply moved with speed to commission a face veneer plant within a year in that country to secure raw material supply. When MDF oversupply emerged in 2018, Centuryply reported industry-leading margins the following year.

We assure shareholders that the prevailing environment is no different. Even as demand-side challenges are extensive, we are optimistic that our large stakeholder eco-system represents a robust backbone that should demonstrate resilience leading to outperformance.

We expect to prevail.

4 LEARNINGS FROM THE LOCKDOWN

A robust Balance Sheet serves as a foundation for business sustainability

Transformation initiatives (sales force automation) are best implemented during adversity

Work from home can moderate expenditure and enhance productivity

The moderation of fixed expenses can enhance the bottom-line

Making Centuryply leaner

Optimise fixed cost expenses

Enhance employee productivity

Minimise cost of funds

Deepen process automation

Timely debt repayment

COVID-19 IMPACT AND CENTURYPLY

THE OUTBREAK OF THE PANDEMIC

The COVID-19 pandemic is the most defining global crisis in living memory. The spread of the virus disrupted the global economy and consumer sentiment starting December 2019. The virus was declared a global pandemic by the World Health Organisation in March 2020. The Indian government implemented a national lockdown in late March 2020.

CENTURYPLY'S RESPONSIVENESS

Centuryply moved with proactive speed in temporarily shutting its offices and manufacturing facilities. The Company's management team continued to leverage modern digital communication technologies, initiated infrastructure disinfection, comprehensively implemented government directives and implemented 'Work from Home' for

employees, protecting its business continuity.

In accordance with the Central Government guidelines, the Company resumed operations at its manufacturing units from 4th May 2020. The Company faced with intermittent area-specific partial/full lockdowns.



OUR STAKEHOLDER VALUE-CREATION REPORT, 2019-20

HOW WE ENHANCED VALUE IN AN INTEGRATED, INCLUSIVE AND SUSTAINABLE WAY

OVERVIEW

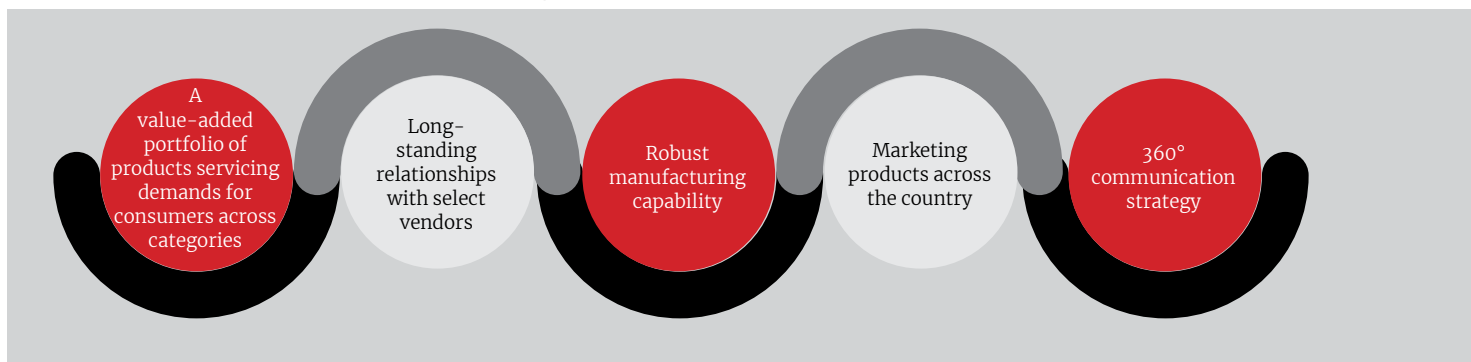
The Integrated Value-Creation Report represents the cornerstone of corporate success. This new measure overcomes the limitations of the conventional approach with a more comprehensive framework that captures a wider set of initiatives and addresses a larger family of stakeholders.

The Integrated Reporting approach explains the sectoral context, analyses corporate strategy and competitiveness leading to different reporting strands (financial, management commentary, governance and remuneration, and sustainability reporting) integrated to express an

organisation's holistic ability to enhance value.

Integrated Reporting explains to providers of financial capital how an organisation enhances value. Its impact extends beyond financial stakeholders; it enhances understanding across all stakeholders - including employees, customers, suppliers, business partners, local communities, legislators, regulators and policy-makers - focused on an organisation's ability to improve value across time. This shift from the 'hard' to 'soft' (non-financial data) helps screen a Company more comprehensively, addressing the growing needs of external stakeholders.

Our overall value enhancement strategy



Drivers of Centuryply value

At Centuryply, we believe that the interplay of value for our various stakeholders has translated into our business profitability and sustainability.

Our employees represent the aggregate knowledge of how to grow the business across a range of functions (procurement, manufacturing, marketing, technology, innovation, finance etc.). Our focus is to provide an exciting workplace, generate stable

employment and enhance productivity.

Our shareholders provided capital when we went into business. Our focus is to generate free cash, growing RoCE and in doing so enhance value of their holdings.

Our suppliers provide credible and a continuously supply of resources. Our focus is to maximise quality procurement at declining average costs with the objective to widen our

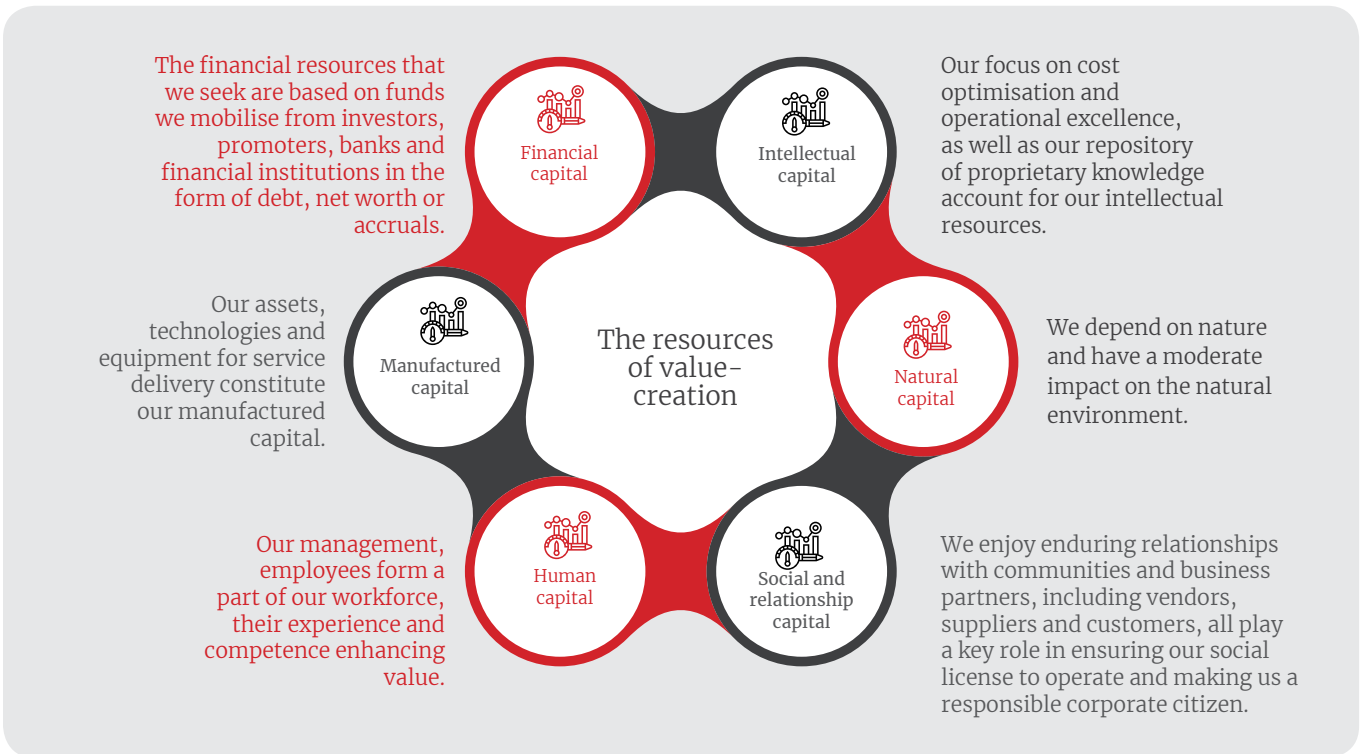
markets strengthening sustainability.

Our customers keep us in business through a consistent purchase of products, generating the financial resources to sustain our operations. Our focus is to sell to a larger number of customers around our preferred price points, retain them.

Our communities provide the social capital. Our focus is to support and grow communities through consistent engagement.

Our government in the areas of our presence provide us with a stable structural framework that ensures law, order, policies etc. Our focus is to play the role of a responsible citizen, serving as a role model.

At Centuryply, we believe that the prudent interplay of the value generated by each and our consistent payback ensures business sustainability and the ability to enhance organisational value.



Our strategy



Vendor focus

Key enablers

- Centuryply has generated a growing appetite for resources and services, a robust platform for vendors

with a long-term focus

- The Company works with a range of resource providers

Material issues / addressed

- Superior use of cutting-edge technologies

leading to product differentiation



Shareholder focus

Key enablers

- Centuryply emphasises governance, operational excellence, cost leadership

and information transparency

- The Company is focused on sustainable growth with sustained margins

• The Company has been paying a dividend every year for 10 years

- The Company possessed ₹21.22 crore of free cash at the close of 2019-20

Material issues / addressed

- Creating the basis of long-term viability through a superior price-value proposition



Customer focus

Key enablers

- Centuryply remains a trusted interior infrastructure product provider at various price points

• The Company has a strong dealer network for plywood and laminates and strong OEM presence for MDF and particle boards

Material issues / addressed

- Enhancing revenue visibility



Employee focus

Key enablers

- Centuryply is a responsible employer across locations

• The Company provides an enabling work environment free of discrimination

• The Company imparts training to each employee and provides a superior career growth plan

Material issues /addressed

- Creating a professional culture seeking overarching excellence in everything the Company does



Community focus

Key enablers

- Centuryply is a responsible corporate citizen

• The Company invested in renewable energy, sewage treatment and recycling plastic as a part of its commitment to a cleaner world



Government focus

Key enablers

- Centuryply pays taxes, generates local employment, complies with

statutes and enriches communities where it is present

Material issues / addressed

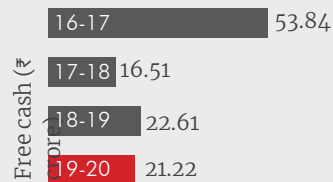
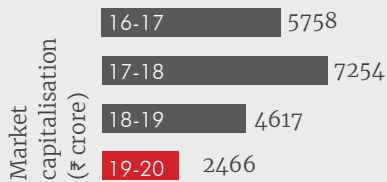
- Customer's needs for a customised solution

Our value-creation in numbers

Vendor value

The Company procured a larger quantum of resources through the years, strengthening procurement economies.

Shareholder value



The Company focused on enhancing shareholder value through a complement of prudent business strategy, accrual reinvestment, leveraging its value chain and cost management.

Customer value



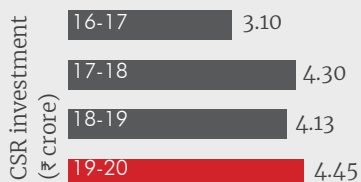
The Company has generated increased revenues, an index of the value created for customers.

Employee value



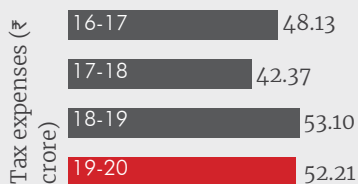
Employee benefits
The Company has invested a progressively larger amount in employee remuneration, underlining its role as a responsible employer

Community



The Company enriched communities through a number of initiatives.

Government



The Company reinvested through the prompt payments of taxes and other statutory dues.

“AT CENTURYPLY,
GOVERNANCE MAKES
IT POSSIBLE FOR US TO
PROTECT OUR BALANCE
SHEET DURING WEAK
MARKET CYCLES AND
GROW OUR **BUSINESS
PROFITABLY DURING
SECTORAL REBOUNDS”**

Q: How important is governance at Centuryply?

A: Governance represents the lifeblood of virtually every company today, Centuryply included. There is a greater importance of governance on sustainability within modern-day organisations for an interesting reason. The economic and business environment has become volatile and uncertain; there is a greater premium on corporate stability than ever. This need for increased stability is warranting an increased need for governance. The result is that governance is no longer peripheral to a company's existence but integral to it. As a result, investors are turning to the government commitment and pedigree of companies as the litmus test of whether they meet the investment filter or not.

Q: What is the evidence to suggest that companies with better governance are being rewarded by consumers and shareholders?

A: There is greater evidence to suggest that a new realisation has begun to emerge. The 'soft' filters are being increasingly used in the appraisal of companies. The fine details of qualitative evidence and strong ESG moorings are being reflected in superior long-term profitability, resistance to sectoral downtrends and better investor returns. For instance, following the COVID-19 meltdown when the S&P Index lost a substantial 500 points, the Fidelity tracker (studying global 2,600 companies) discovered something interesting: 26.9% of the A-rated companies performed 3.8% better than the benchmark; E-rated

companies under-performed 7.4%.

Q: What is the import of governance at Centuryply?

A: At Centuryply, we always believed that the 'how' influences the 'what': the process enhances the quality of product or service. At our company, governance means being the best at everything we do: the priority to remain sustainable across market cycles over one-off profitability, the selection of the right strategy that makes this possible and focus on enhancing multi-stakeholder value. We believe that these overarching priorities are best delivered through the appointment of value-enhancing Directors on our Board, segregation of promoter and management interests, strategic clarity, structured performance management, systems and process-orientation, culture of comprehensive compliances, brand-led

growth, comprehensive risk management and environment responsibility. This approach champions a completely different way of doing things: the opportunistic arbitrage-driven approach yielding to long-term eco-system stability.

Q: How has the Company's governance priority been reflected in its Board composition?

A: At Centuryply, we aggregated a competent Board of Directors, comprising individuals with complementary capabilities. The Independent Directors bring a wealth of industry experience to the Company, coupled with Executive Directors who are knowledgeable, hands-on and empowered. This balanced combination – eight Independent Directors and eight Wholetime Directors – represents our interests across diverse (subjective and objective) positions. Of our 16 Board members, two are women

and 14 male. We believe that this balance enhances objectivity.

Q: How would you describe the strategic clarity of what Centuryply stands for?

A: At first, permit me to explain what we see in the market place before one explains our strategic direction. In India, there are different kinds of customers for interior infrastructure products. There is a customer at the bottom of the pyramid – the most price-sensitive. There is another customer at the middle bulge who is aspirational. There is a customer at the apex of the market who wants nothing but the best. At Centuryply, we have selected to service the growing needs of the aspirational and affluent, suiting every pocket. The Company's product mix, pricing strategy, value-addition and brand positioning have all been directed with this customer

set in mind, resulting in strategic clarity.

Q: What are the governance initiatives related to increasing shareholder value?

A: At Centuryply, every aspect of our governance influences shareholder value creation. However, more specifically, we have selected to invest our accruals aggressively back into our business; we have selected to invest prudently in our capital assets; we have moderate long-term debt on our books. The one big change over the last few years is that we have now acquired a critical mass in capacity and pan-India manufacturing presence that makes it possible to grow the business through accruals, which does two things for us: makes it possible to protect our Balance Sheet during weak market cycles and grow profitably during sectoral rebounds.

Centuryply: Taking the governance agenda ahead

More than just statutory compliance

Evaluate the performance of the Board around governance metrics

Globally, ESG (Environmental, social and corporate governance) investing has gained ground. Nearly 26% of total assets globally are today managed under socially-responsible investment – US\$22.9 trillion vs US\$13.6 trillion in 2012.

The 35-member MSCI India ESG Leaders Index, providing exposure to companies with high ESG performance relative to their sector peers, outperformed the 78-member MSCI Index over a long-term period from September 2007 to January 2019.

WHERE WE COME FROM

VISION

People development	Quality	Innovation	Customer Focus	Trust
People development is our way of keeping our people Happy.	We don't just insist on quality, we are passionate about it.	We always innovate, therefore we are.	We are all eyes and ears when it comes to customer focus.	We trust not by making promises, but by keeping them.

VALUES

Integrity	Excellence	Team Work	Empowerment	Speed & Energy	Frugality
	Accountability	Change Friendliness	Caring	Sharing	

Centuryply and fair pricing

Centuryply's success has been derived from a superior price-value proposition – the best quality at a given price. Over the years, the Company has widened choice: Its portfolio comprises products across price points ranging from the premium to the affordably basic.

Centuryply's competitiveness is reinforced through proprietary manufacture and scale, making it possible to price products affordably across market cycles. The Company launched Sainik 710 to cater to a market segment seeking an affordable 'Asli waterproof' product, carving away competing market share.

Centuryply enhanced consumer confidence through a 'One Century price...anywhere', indicating uniform and transparent pricing that eliminated the scope for opportunistic arbitrage. This pricing discipline was periodically validated through a marketplace audit, enhancing consumer interests.

THE STRENGTH OF CENTURYPLY'S FINANCIALS

CENTURYPLY'S STRONG FINANCIALS MAKE ITS BUSINESS MODEL SUSTAINABLE THROUGH SECTORIAL DOWN CYCLES

Maintaining EBITDA margins

Introduction of value added products

Operating cost optimisation

Captive solar power generation

Exports of margin accretive products

Captive resin production

Focus on maintain margins in the CFS business

EBITDA MARGIN IN EXCESS OF 11% IN THE PAST FIVE YEARS DESPITE SUBDUED DOWNSTREAM SECTORS (ESPECIALLY REAL ESTATE)

Deleveraged Balance Sheet

Capex of over ₹835 crore in five years

Partially financed through debt

Long term debt reduced to ₹52.93 crore

Strong credit rating

DEBT - EQUITY RATIO OF 0.18 (2019-20) + INTEREST COVER OF 6.65

Moderated working capital requirements

Engaged a consultant to implement Theory of Constraints

Reduced inventory (raw material and finished goods)

Working capital turnover at 67 days (86 days in 2018-19)

'Surrendered' additional working capital limits with banks

Inventory turnover at 57 days (65 days in 2018-19)

CONSISTENT RETURNS

Judicious capital allocation

Maximising asset sweating

Timely investments in technology upgradation for cost optimisation and keep the products updated

ROCE in excess of 17% in each of the last five years

Fixed asset turnover ratio in excess of 3.13 in the last five years

Return on equity in excess of 15% in the last five years

'CENTURYPLY? MUST BE THE BEST!'

Various factors have helped generate a superior recall for the Company

LARGEST

Centuryply offers one of the largest interior infrastructure portfolios in India. The Company's offerings comprise plywood, laminates, face veneer, MDF, particles boards, pre-engineered doors and fibre cement boards, among others.

Wide range of interior infrastructure products available across SKUs.

BIGGEST

Centuryply is one of the largest players in India's plywood sector. The Company's market share is among the highest in India's organised plywood sector.

More than 25% market share for Centuryply in the ₹20,000 crore plywood industry.

WIDEST

Centuryply offers one of the widest choices of grades within its brand portfolio.

Multiple SKUs across brands and products. Makes it easy to graduate purchases to the next level (features) with modest increases in budget. Provides the consumer a 'choice journey'

DEEPEST

Centuryply makes it convenient for consumers to buy proximate to where they are.

2100 dealers. 25000 retailers. One of the largest networks within the industry.



LEANEST

One of the leanest Balance Sheets in India's infrastructure sector. Sustains the business across market cycles.

0.05 debt-equity ratio (long-term debt). ₹21.22 crore cash in hand (31 March 2020).

CLEANEST

The Company's proactive investments in responsible manufacture has helped it emerge as one of the cleanest and 'greenest' plywood manufacturers in India.

6 MW captive rooftop solar power plant. Annual CO2 savings - 5100 metric tonnes.

LOWEST

Stringent cost austerity helped the Company emerge as one of most competitive players in India's interior infrastructure sector.

EBIT margin in excess of 11% in the past five years.

SAFEST

Protective industrial safeguards have resulted in one of the safest facilities in the sector for the benefit of employees and the community.

Decline in reported incidents in the three years ending 2019-20.



'I LOVE CENTURYPLY. ONE-STOP SHOP. NO TENSION!'

How Centuryply has evolved from a company into a trusted destination

Q: What is the big transformation to have transpired at Centuryply in the last few years?

A: Until not too long ago, Centuryply was respected largely as a plywood company. Plywood accounted for over 75% of the Company's revenues and the Company was one the largest players in this space (which continues). However, the Company has broad-based its product platforms to moderate its excessive plywood dependence since.

Q: Why was this branding necessary?

A: As the flagship Centuryply brand became a wider and deeper currency across the consumer spectrum, we realised that it had matured to shoulder a larger number of products. Besides, there was something fundamental transpiring in the marketplace: the consumer was upgrading her needs, the consumer was seeking to buy completed products and the consumer was seeking a superior price-value proposition (as distinct from price-sensitivity).

We could have continued responding to these realities with a 'business as usual' approach. We evolved with speed and transformed our organisation instead.

Q: How did the Company transform itself?

A: We did so in two ways: widening the number of products offered and increasing the capacity in each product category. We always believed that the successful companies were those that extended into adjacent product spaces, extended their brand from one product category to another, provided trade partners with a larger throughput of products and evolved from mere product supply to an interior infrastructure solution. The result is that we have been able to carve away a larger share of the customer's wallet when one is building or revamping one's home or office.

Q: Why was this lateral growth necessary?

A: This became necessary for an important reason: in the past, whenever a consumer wished to buy a range of products – plywood or laminates – she would need to go from retail store to retail store to buy them. Something changed in the last 20 years: vehicle traffic increased, parking space declined and neighbourhoods

became congested. There was a growing need to buy everything from a centralised retail store that would stock different products and varieties. As trade partners began to stock a wider range of interior products, it became convenient for companies like ours to leverage our brand and sell a wider range through trade partners. Besides, the sense of interiors-pride of consumers began to increase. They needed a larger quantity, they needed different products, they

proportion of revenues that the Company derived from products or capacities invested in after 2015 was 25% in 2019–20. This indicates the Company's responsiveness to external environments and investments in its futuristic direction.

Q: How has this broad-basing played out?

A: This broad-basing has increased the proportion of cross-sale in retail stores. The consumer who steps in to buy plywood ends up buying doors;

We always believed that the successful companies were those that extended into adjacent product spaces, extended their brand from one product category to another.

needed to buy centrally and they needed to buy from visible brands. That provided a company like Centuryply with the opportunity to grow horizontally and vertically.

Q: How did this influence the Company's strategy?

A: The Company increased its plywood and laminates capacity on the one hand and entered categories like MDF and doors. The

the consumer seeking laminates ends up buying MDF. This ensures that our trade partners generate a larger throughput, strengthening their conviction to invest more in the Centuryply brand (retail space or merchandise). This strengthens the perception that we are more than just a company: we are a 'supermarket' when it comes to interior infrastructure products.



“WE RETAINED OUR
POSITION AS A TRUSTMARK;
‘IF IT IS CENTURYPLY, WE
CAN BUY EYES CLOSED.’

An analysis of the various business-strengthening initiatives in 2019-20

Q: What is the priority for the Company to keep reinvesting in its business?

A: At the outset it would be imperative to communicate that ‘reinvestment’ at Centuryply carries more than just a financial implication. There is an overarching commitment to make the good better covering a range of functions. The objective of the Company is to retain its position as a trustmark: ‘If it is Centuryply, we can buy eyes closed.’

Q: Why is this sustained commitment necessary?

A: One of the reasons for this sustained vigilance around the highest quality standard is the sheer climatic range in India – from the desert heat to the Himalayan cold to the tropical heat to the coastal influence. We need to manufacture products that endure across these terrains and temperatures. This assurance can only come from a sustained commitment to raise the bar across every single function.

Q: What is the reason for this sustained commitment to keep enhancing operational standards?

A: The stamina for this sustained commitment comes from the increasing relevance of organised sector products within the country's interior infrastructure sector. Following GST implementation plywood, laminates and MDF products attracted 18% GST. What used to be a 25-30% pricing gap between organised and unorganised players declined to ~10-15%, making organised players like Centuryply more competitive. We believe that the decline in delta provides our company with an unprecedented opportunity: to leverage its brand, manufacture, distribution and quality competencies to carve out a disproportionate high share

of the market shift towards organised products.

Q: What complement of initiatives strengthened the Company's value proposition?

A: The Company automated a significant portion of its manufacturing process in India. The Company installed new core composer machines and replaced the old glue spreader with a modernised and larger equivalent. This doubled output and people productivity, optimising costs.

The engagement of an external consultant (working in the area of Theory of Constraints) began to deliver positive results. The Company reduced its operating inventory emerging leaner.

The Company deepened forecasting capabilities to prepare for market realities

better. The result was that it promoted Sainik, an economy product for price-sensitive consumers.

The Company achieved the highest recovery of A-grade laminate products following process improvements. The Company commercialised an additional line, strengthening capacity. Besides, the Company enhanced value-addition, strengthening realisations.

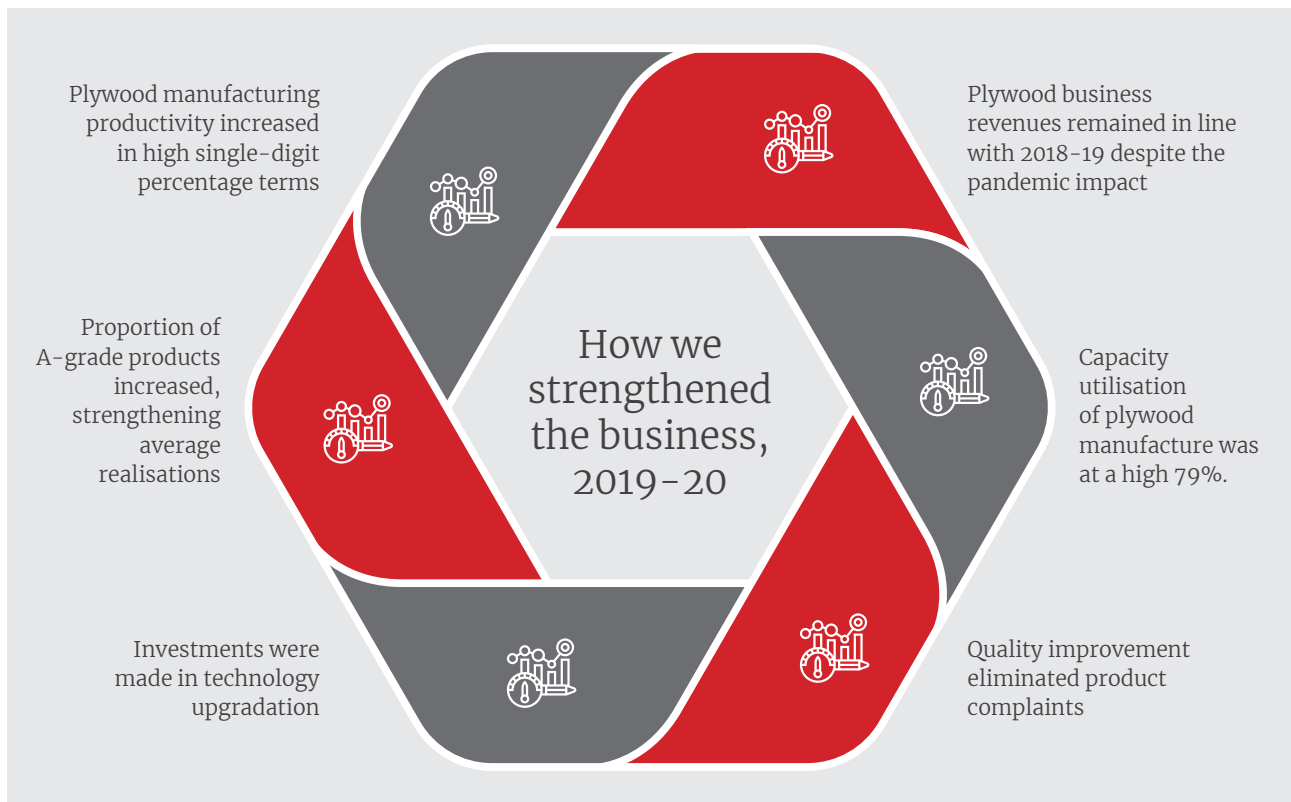
The Company emerged as the first in India to invest in nano technology-led plywood manufacture, strengthening cost management.

The Company modified system parameters and increased productivity, quality and cost economy.

The Company provides multi-year product warranty on the back of innovative products, strengthening consumer confidence.

54
%, Revenues generated from plywood segment, 2019-20

46
%, Revenues generated from non-plywood segment, 2019-20



SALES AND DISTRIBUTION

Centuryply. Reaching products just where consumers need them



OVERVIEW

There is a long-standing joke in the Indian interior infrastructure industry: when you go to the remotest parts of India what are three things that you will always find?

The answer: a service station of India's largest automobile brand, mobile connectivity of India's largest telecom company and a retail store selling interior infrastructure products of Centuryply.

CENTURYPLY'S POSITIONING

One of the most important strengths at Centuryply lies in its distribution network. In a world where intangible strengths are being increasingly recognised, the Company's network represents a potent competitive advantage.

The Company's trade partners are located across 630 cities and towns in India, making it possible for them to capture every upturn in product demand.

The Company's network comprises more than 2100 dealers who service

more than 25000 retail points, making it convenient for consumers to buy.

The Company's proprietary infrastructure comprises 30 pan-India marketing offices, making it possible to support trade partners across the hinterland.

The result is that every minute an average ₹43,500 of Centuryply's products were sold across the vast Indian landmass in 2019-20.

The strength of the Company's distribution network was validated during the financial year under review when revenues grew 1% even as sales remained sluggish.

KEY INITIATIVES, 2019-20

QR-coding: The Company introduced QR-coding to enhance product traceability, strengthening inventory and sales management

Influencer loyalty program: The Company introduced Century Pro Club, a carpenter loyalty program (Kolkata, Mumbai, Lucknow, Jaipur and Andhra Pradesh), making it possible for carpenters to aggregate points by scanning the QR code on the plywood through a dedicated app in exchange for a commission.

Business WhatsApp: The Company leveraged WhatsApp to enhance retailer service, information dissemination and promotions on the platform. More than 18,000 geo-tagged retailers registered.

Motivational scheme: The Company introduced a quarterly sales contest (Century Premier League) that motivated the internal sales team

Online remittance: The Company collected 93% (50% in 2017-18) of receivables through RTGS, strengthening cash flows.

Digital: The Company strengthened its e-commerce function, enhancing product accessibility.

<p>INFLUENCER LOYALTY PROGRAM</p>	<p>The Company introduced Century Pro Club, a carpenter loyalty program</p>	<p>Launched across Kolkata, Mumbai, Lucknow, Jaipur and Andhra Pradesh</p>
<p>Empowered carpenters to aggregate points by scanning the QR code on the plywood through a dedicated app in exchange for commission.</p>	<p>Loyalty points redeemable against the purchase of a variety of gift products showcased in the redemption catalog (USB chargers to four-wheelers)</p>	<p>Enhanced influencer excitement and satisfaction</p>

CENTURYPLY. VISIBLE EVERYWHERE.

A CONVERSATION WITH
MR. SANJAY AGARWAL,
MANAGING DIRECTOR, CENTURYPLY

W

hat is the marketing strategy of Centuryply?

The principal marketing strategy at our company is to make something of a quality standard that speaks for itself. Centuryply manufactures and markets a range of products like plywood and doors. The brand is synonymous with strength, quality and a peace of mind. The Company's surface products like laminates and veneers are respected for aesthetics and choice. During the last few years, the Company has focused on enhancing trust at a time when most consumers are seeking to shift from anonymous commodity alternatives to branded solutions.

What are the different ways that the Company has selected to market products?

The organisation uses a mix of 'above the line' (TV commercial, print, radio, outdoor) and 'below the line' media vehicles (point of sales activation initiatives) to promote campaigns. During the last year, the biggest initiative comprised the digital. In a business-as-usual scenario, we invested 4% of our gross revenues in brand building; in today's environment, much of our spending is on the digital medium.

How is the product being perceived by its target consumer segment?

The name Century, the red colour and the star logo are widely recognised among consumers and trade partners. The products of Centuryply are used by consumers who seek value in our quality, range and guarantee. Our last consumer research indicated that

the core equity of Century was trust, reflected in a peace of mind that 'Once we have brought Century, we know we will not need to worry about the product for years.'

What branding initiatives were taken during the year under review?

Centuryply undertook a number of initiatives in 2019-20: nation-wide external wall painting, retail-wise branding, own store launch, Influencer Loyalty Program and the digital initiative (social media marketing, content marketing, e-commerce, brand and product campaigns, affiliate tie-ups, moment marketing etc.).

Why is much of the spending moving towards the digital?

Digitisation is the future when it comes to marketing for reasons of effectiveness and efficiency. The result is that digitisation initiatives are being taken across functions, strategic business units and stakeholders. This momentum is irreversible on account of the ease of connect, accessibility and affordability of access. The conventional 360-degree marketing has been replaced by 365-day marketing. Centuryply responded to this reality with a number of product, brand and service-related promotions: some focused on educating customers on product features, some targeted building preferences for brands, some were directed at enhancing awareness and some were directed at social awareness.

Which brand-related campaign was launched?

Century Heroes was an initiative started in 2014 to pay tribute to the real heroes in our world without whose contribution large and complex projects can never become a reality. The carpenter community works behind the scenes to make sure that not only stiff deadlines are met but also deliver high workmanship - the #strong inside beautiful outside positioning. Century Heroes recognised their indomitable spirit and workmanship through a film, enhancing awareness of the need to respect carpenters' competence. The content, based on real-life instances, sent out a warm and positive social message. The result: the film registered around six million 'hits' on the social media and was adjudged among 50 most impactful campaigns of 2018 by Social Samosa.

Was there any environment-related initiative undertaken by the Company?

The Company continued to spread awareness against the irresponsible use of plastic, encouraged tree planting and extended to the issue of breast cancer. Breast cancer is the largest cause of cancer deaths among women. The campaign urged men and women to share their pictures on their social media handles with an element of pink and take the #PinkPledge of self-detection. Men were requested to encourage women to take the #PinkPledge. The total 'likes' were 89,111 with an approximate reach of 584,829. On Instagram, the campaign reported 54,575 'likes' and the post was 'saved' 457 times. Century



Laminates donated ₹2 lac to Tata Medical Centre to be used for the care and treatment of marginalised breast cancer patients.

What were some of the major challenges that you faced in the year under review?

There was competition from products that are not what they promise to be (example water-proof attribute) attracting gullible customers only because they are priced lower. There were instances of fake products being passed off as ‘Centuryply’. These instances lead

to dissonance among customers.

What innovative initiatives were undertaken by the Company during the year under review?

Centuryply launched Century Arena Stores in Delhi and Mumbai. The experience centres provide a completely view of our decorative product portfolio, a one-stop solution designed for laminates and reconstituted veneers. The centres showcase decorative sheets in full sizes with the opportunity to experience and

compare combinations using Augmented Reality. Century Arena also provides in-depth product description on new launches, making it possible for consumers to make informed purchases.

Centuryply also emerged as the first in India’s plywood industry to introduce a shopping platform where consumers can now browse and buy brand products, which is timely considering that consumers now prefer e-commerce platforms over brick-and-mortar environments for reasons of convenience, speed and social distancing.

4
%, Centuryply’s advertising and promotion spend as a percentage of total revenue, 2019-20

Q: WHAT IS THE BIGGEST OFFTAKE DRIVER OF CENTURYPLY'S PRODUCTS?

A: The biggest offtake driver is that the consumer is always protected. The brand may have been in existence for years but the quality standard is benchmarked as of today. The result is that when consumers buy into our products, the last thing they need to be worried about is under-performance. On the other hand, consumers feel that Centuryply brings new concepts and ideas to the market better and faster than its peers.

Q: HOW DOES THIS PIONEERING RESPECT TAKE THE COMPANY'S BUSINESS AHEAD?

A: This pioneering respect energises the Company's trade partners. They find one more point with which to engage consumers with. A number of trade partners tell us that this ability to introduce new products or new features works best with consumers. There is a disproportionately higher respect for the 'latest' or the 'improved' or the 'pioneering', translating into product outperformance.

Q: WHAT HAS BEEN THE DIRECTION IN WHICH THE COMPANY HAS SELECTED TO MANUFACTURE PIONEERING PRODUCTS?

A: The one word that encapsulates the Company's pioneering focus has been 'protection'. Over the decades, Centuryply has introduced a range of products that promise the highest standards of product performance. We believe that this is a relevant positioning for good reasons: the cost of failure is high, resulting in the need for product removal and replacement (usually at a higher cost). What consumers need in such an environment is an overarching quality assurance coupled with warranty.

Q: WHAT KIND OF WARRANTIES HAS CENTURYPLY PROVIDED CONSUMERS?

A: It would be fair to state that Centuryply was the first company in India's plywood sector to provide a multi-year warranty. Centuryply offered seven-year product warranties at a time when the concept was largely unknown (Club Prime and Club Marine). With products staying undamaged for more than two decades, the Company prudently extended the

'CENTURYPLY MATLAB SOMETHING NEW!'

How Century has built on a culture of product innovation



product warranty to 21 years. Century became the first to introduce a warranty feature attached to any MDF product in India

Q: WHAT IS THE CORPORATE STRENGTH THAT TRANSLATES INTO A WARRANTY CONFIDENCE?

A: Centuryply was one of the first companies in the industry to invest in a state-of-the-art R&D unit. We believe that this forward-looking infrastructure has

helped generate a pipeline of new benchmark-raising products in India. For instance, Centuryply was the first in the country to introduce fire-retardant and water-resistant plywood varieties in India. Centuryply was the only company to introduce affordable fire-retardant plywood. The Company pioneered boiling water-resistant decorative veneer, powder-proof PF plywood. The Company pioneered

borer-proof and termite-proof plywood in India.

Q: WHAT ARE VARIOUS APPLICATIONS WHERE THESE PRODUCTS HAVE FOUND INCREASED APPLICATION?

A: The increasing relevance of 'green' buildings makes it imperative to use panel products to conform to evolving fire-retardant standards. By the virtue of possessing such a product, Centuryply is a preferred

player to address the growing opportunity of 'green' buildings.

Q: WHAT WAS THE HIGHLIGHT OF THE COMPANY'S PIONEERING INITIATIVE DURING THE YEAR UNDER REVIEW?

A: Centuryply emerged as the first company in India to use nanotechnology to introduce anti-bacterial and finger-print resistant laminates.

INCREASING IMPORTANCE OF NANOTECHNOLOGY IN THE INTERIOR INFRASTRUCTURE PRODUCTS

Wood is a natural, biodegradable and renewable material. Its low thermal and electrical conductivity have made it unique. However, wood quality can depreciate on account of fungal and insect action; it is vulnerable to fire and water absorption.

Nanotechnology enhances material quality (including wood and wood-composites). It has been arguably the most extensively developing research area in our business in the last couple of decades.

Nanotechnology is capable of turning an electrical conductor to a non-conductor and vice-versa. A laminate coating makes it anti-bacterial. Centuryply, the leading manufacturer and supplier of quality plywood, laminate sheets, fibre-board, MDF boards and veneer wood introduced nanotechnology to develop germ-free laminates. Following research in Centuryply's labs in five years, nanotechnology has been incorporated in anti-microbial laminates. The Company also created anti-fungal laminates for damp areas; polymers were developed to counter surface fungal action in a few minutes.

Centuryply is developing raw materials needed in nanotechnology applications, strengthening the quality of downstream applications, control, integration and economy.

The next objective: an anti-viral laminate!

OVERVIEW

Centuryply is an R&D-led company investing extensively in research and development. The Company's R&D is not restricted to new product innovation, but also in improving process efficiency, enhancing productivity and optimising operating costs.

At Centuryply, innovation represents the driving force of our competitiveness. One of the core areas of the Company's R&D investment has been nanotechnology, a pioneering application within India's interior infrastructure sector.

Centuryply's forward-looking investments in nanotechnology and nanomaterial are playing an important role in moderating material and energy use. The Company developed inorganic complex nanomaterial in its laboratory to enhance fire-retardant properties in its Architectply and Firewall ply products (certified for IS: 5509 and conforming to ASTM E84 Standard (American Society for Testing and Materials) and optimising the cost of fire-retardant plywood. Nanotechnology enhances product durability in the production of wood composites like particle board and MDF.

Besides, the use of antibacterial nanomaterial (nano silver) has

enhanced product resistance to bacteria and fungi, preventing them from growing on wood-based products (validated across the Japanese standard JIZ 2801:2010). The Company is at an advanced stage of exploring nanotechnology for anti-viral properties across plywood and laminates.

Centuryply developed a new resin manufacturing technology that eliminates vacuum distillation at the final stage and liquid effluent discharge. The treated water is used in ponds for storing logs, gardening, toilet flushing, fire water storage and road cleaning applications.

Centuryply developed an inorganic complex nanomaterial in the production of fire-resistant plywood.

Fire retardant-treated wood products represent a viable alternative over traditional non-combustible materials (where higher level of fire safety is necessary).

Centuryply is engaged in the development of upgraded fire-retardant plywood varieties, improved nanotechnology-derived particle board, substitute the use of hazardous materials with eco-friendly alternatives, development of sound-proof plywood and reducing the plywood manufacturing process, enhancing productivity.

12 REASONS WHY MDF HAS A GROWING FUTURE

An insight into why MDF is being increasingly trusted by users and customers

1 The transition of the Indian furniture industry is towards ready-mades, where MDF has emerged as the preferred material choice

2 There is an increasing awareness of MDF benefits

3 The entry of large focused players is enhancing segment awareness

4 There are a number of panel applications where traditional wood products are difficult to use

5 Growing shortage of labour and wood-based raw material has strengthened MDF offtake

6 MDF non-directional grain structure makes it ideal for cutting, machining and drilling without splinters or chipping

7 The entry of IKEA (marketing ready-made furniture) in India is expected to widen MDF offtake

8 The proportion of plywood:MDF consumption abroad is 20:80 and the reverse in India, indicating a vast headroom

9 MDF (made from waste wood) is considered environment-friendly and extensively used in 'green' buildings

10 MDF is largely used in ready-to-move-in offices/retail outlets, modular furniture and modular kitchens

11 MDF is ideal for fabricating light beds, wardrobes, tables and shelves, etc.

12 MDF is superior to lower end plywood (moulding, durability and termite-resistance)

CENTURYPLY: PREFERRED MDF MANUFACTURER FOR OEMS

OUR MDF BUSINESS

- The Company generated ₹350.5 crore of revenues in 2019-20, growing 19%
- The Company's MDF unit is one of the largest in the country
- The unit operated at more than 82% capacity utilisation in 2019-20 (industry average less than 50%)
- The Company's MDF unit in northern India enjoys advantages of cheap raw material and power and market proximity
- The Company launched value-added products (laminated MDFs, flooring and doors, among others)
- The Company serviced large OEM customers

OUR PARTICLE BOARDS BUSINESS

- Particle board revenues grew 2% in 2019-20 due to capacity constraints
- Particle boards are largely used by OEMs in the manufacture of ready-made furniture.
- The Company's Chennai particle board unit operated at 116% capacity utilisation, 2019-20
- The Company plans to invest in a particle board unit in Uttar Pradesh
- The Company commissioned a 54,000 cubic metre particle board manufacturing facility for ₹60 crore in 2016-17

MDF: POSITIVE OUTLOOK

We are optimistic of MDF prospects for the following reasons.

One

A growing preference for readymade furniture in the wake of Covid-19 and the need for social distancing

Two

Import substitution coupled with the opportunity to replace low-end plywood varieties (similarly priced)

Three

The reduction in GST from 28% to 18% has enhanced affordability

Four

Consumers would rather use material from within India than import from China

Big numbers

INSTALLED CAPACITY

198000

(CBM) MDF capacity of Centuryply today

54000

(CBM) Particle board capacity of Centuryply today

REVENUES BY CUSTOMER

95

% of revenues from B2B segment (OEM and manufacturers)

5

% of revenues from retail

CAPACITY UTILISATION

82

% of Average MDF capacity utilisation for Centuryply

REALISATIONS

22,874

₹ per CBM Average Centuryply realisation

MDF: Cost competitive

30-32

₹ per sq. ft. cost of 19 mm MDF

40-42

₹ per sq. ft. cost of equivalent plywood

47

% of raw material cost in MDF

75

% of raw material cost in lower-end plywood

30

% cost advantage of MDF over lower cost plywood

9

% growth of India's plywood market

17-20

% growth of India's MDF market

WHAT THE WORLD THINKS OF CENTURYPLY

I have been associated with Centuryply for six years for pre-laminated MDF. When we started the association we were just taking a fraction of our supplies from Centuryply but this has increased to 25%. I grew my exposure to Centuryply on account of the brand visibility, product quality and peace of mind. The delivery aspect has been a plus point: products are delivered in 4 days of placing the order. The Company accommodates urgent deliveries and is easily approachable. 'Great Brand. Great Quality' is how I describe Centuryply.

Deepak Gupta, Proprietor, Lotus Cucine Pvt. Ltd.

Our association with Centuryply dates back long. I stuck to Centuryply because of quality. The Company has the best order logging and delivery system in the industry. The Company is professional and offers competitive prices, accounting for 70-80% of all my orders. Long ago I had an issue and the Company was prompt in rectifying its mistake and replacing the entire product lot within two days. The result: I smiled instead of frowning!

Mr. Kingshuk Ghosh, Proprietor, Ergo Woodlines

We have been buying from Centuryply since it launched MDF. Centuryply has always been preferred because of its brand visibility and product quality. Earlier we were taking 70% of our supplies from another brand but we gradually shifted our entire requirement to Century. The day is not far when Centuryply will account for 90% of the market. Centuryply employees are like family. I recently started a new firm and contacted Century for supplies; within five minutes I received a call discussing formalities. The following day it contacted me for orders and completed supplies in four days. Nobody I have engaged with has been as fast!

Mr. Surinder Singh, Proprietor, Amber Furnitech

When a customer asks for my opinion when selecting a plywood brand, I suggest one name: 'Centuryply'. Because it helps one make headache-free furniture. Most plywood suppliers provide a good range of products but none can match Centuryply's quality. I blindly recommend Centuryply to all clients because I know that no one will come back with a product complaint.

Dhanraj Bhardwaj, Contractor

Most consumers seek a fresh modern look. The result is that a lot of MDF and HDF are now being used. Centuryply is keeping up with the trend in providing these products at the highest quality. Centuryply provides a stress-free engagement."

Kanchan Choudhary, Kresacion, Architect












I have been in the industry for five years as a contractor. I have just been using Centuryply for all my needs. Whenever a client takes my suggestion for plywood, I always recommend Centuryply. The reasons: the plywood stays put even after years whereas other plywood brands start giving problems after just a couple of years."

Rama Krishnan, Contractor

The residential design trend is about contemporary straight lines. I love using veneers because they are easy to maintain, provide a rich look and enhance freshness after polishing. For my prestigious clients I prefer using Centuryply; its quality is unmatched. 'A happy client' is what I get, when I use Centuryply!"

Shalini Somany, Interior Designer, Archi Trave

11 REASONS WHY WOOD PANEL PRODUCTS ARE ENVIRONMENT-FRIENDLY

1	Plantations are sustainable; they keep generating new cycles of growth			Centuryply is the only company within its sector to treat and recycle effluents for the resin manufacture, eliminating fresh water consumption	7
2	Plantations reverse deforestation			All of Centuryply's units are zero liquid discharge	8
3	Plantations provide communities with an economic incentive to grow more trees			Centuryply generates 20% of its energy consumption from captive renewable energy	9
4	Plantations are sequentially commercialised; there is always a large cover remaining intact			Centuryply is replacing a number of small boilers with single large boilers, minimising emissions.	10
5	Plantations have grown; even after monetisation the net coverage has usually been higher			Centuryply extended from plywood and laminates to the manufacture of MDF and particle boards utilising wood waste	11
6	Compared to steel, cement and glass, wood is the most eco-friendly; engineered wood panel like plywood possesses twice the weight-bearing capacity over regular wood.				

STRENGTHENING OUR LAMINATES BUSINESS

OVERVIEW

One of the biggest transformations in the way we live is in the way our homes and offices now look. More classy. More international. More vibrant.

Ever wondered how these boring interiors became more vibrant? The answer: Century's laminates.

Century commenced the manufacture of laminates in 2004. The Company has since emerged among three largest laminate players in India. The Company provides a large variety of designs. Its products address European standards of design and quality. It is a market leader in the lucrative 1.0 mm laminate category. It addresses premium needs through value-added products (textured and exterior laminates).

Addressing preferences, applications,

conveniences and pockets. A solution for everyone.

BRIDGING THE GAP

There has been a growing traction for laminates in India for various reasons.

Home affordability has increased on account of steady prices and higher income. Even as disposable incomes of India's middle-income group grew around 9% following a survey across seven metro cities between 2014 and 2018, the increase in residential property prices was less than 2%. This translated into a higher consumption of interior infrastructure products.

Laminates have emerged as a preferred consumer choice on account of increased affordability, high/low ambient temperature resistance, durability, scratch and fire resistance as well

as anti-bacterial and anti-fungal properties. Besides, laminates are easier to maintain, strengthening the price-value proposition.

This growing traction received governmental encouragement as well. In the past, laminates attracted VAT of 14% and excise duty of 12%; GST unified these taxes into 18% tax. The benefits of this reduction, passed on to customers, helped widen the market for organised and branded players like Century. The result is that in the last couple of years as costs for unorganised players increased on account of compliance, end product costs declined for organised brands and the consumption shift from unorganised to organised players accelerated.

BIGGER AND BETTER

Over the years, the Company invested in capacity expansion

463.34

(₹/crore) Revenues generated from laminates segment, 2019-20

439

(₹/crore) Revenues generated from laminates segment, 2018-19

with the objective to service growing consumer needs and moderate capital cost per installed capacity, strengthening competitiveness. The Company doubled its annual laminate production capacity to 4.8 million sheets in 2013-14, which was fully utilised in the next two years. The Company increased capacity 67% in 2018-19. The result is that the Company carved out a large slice of the country's laminates segment.

Century has reinforced its position as a differentiated laminates player. The Company just didn't produce more; it produced different as

well. The Company refurbished its design catalogue with the objective to periodically introduce new designs.

The Company was the first in India to introduce silver nanotechnology in producing laminates with anti-bacterial properties. The Company plans to test the product for anti-viral properties that can increase relevance in the prevailing pandemic-induced environment. Besides, Century entered the 0.8 mm economy segment, addressing the price-sensitive segment. The Company leveraged its brand recall, consistently superior product standard and competitive pricing.

BIGGEST.

In 2019-20, Century made the biggest launch in India's laminates industry

Launched two laminate catalogues (Look Book 2019-20 and Star Line 2019-20)

Perceived as a trend setter

Comprised more than 1000 SKUs

Collection comprised a variety of new laminate patterns and textures

Addressed home and workspace furniture

Ideal for wall paneling; highlights small furniture and spaces

Launched laminates following extensive research on global trends

CENTURY'S ANTI-BACTERIAL LAMINATES

On a laminate surface, microbes can multiply rapidly in less than half an hour. This can leave undesirable stains, malodours and premature surface degradation, warranting intense cleaning.

An average laminate can be transformed into an antibacterial laminate during the final resin bath of the impregnation process. This helps create a surface with a long-term resistance to

harmful microbes, reducing contamination and enhancing hygiene.

Antibacterial properties are essential for decorative laminates because they are often applied on kitchen tops and countertops, cabinets and table tops. Centuryply's range of laminates uses the unique Silver Nano technology, enhancing its anti-bacterial property. Silver Nano technology reduces bacterial and fungal growth by more than 99.9%, ensuring a germ-free environment.

Performance highlights, 2019-20

Manufacturing

▶ The Company achieved a plant efficiency of 102% for laminates compared to 104% in 2018-19

Sales

▶ The laminates business grew 5.5%; the Company sold 61.61 lac sheets

▶ Value-added laminate offtake reported increase

▶ Ventured into the OEM sector by building a relevant product portfolio

▶ Launched Experience Centres in Delhi and Mumbai

▶ Provided products online

Products

▶ Blended the 1 mm laminate with value-added features (fire resistance, anti-fungal and anti-bacterial, among others).

▶ The exterior high-value compact laminate, an import substitution product, reported a volume growth of 36%

▶ Provided the 0.8 mm laminate for the economy segment

▶ Introduced a new laminate, plugging the gap for a small sized laminate for the door segment

THE USPS OF THESE ANTI-BACTERIAL LAMINATES

- Enduring anti-microbial performance
- Safe and non-toxic
- Stays steady at higher temperatures
- 99% protection



CENTURYPLY. GREEN FOOTPRINT

OVERVIEW

At Centuryply, our reporting would not be complete if we did not communicate what we are doing to make the world a better place.

Average temperatures in India have increased by 0.6°C between 1901-10 and 2009-18.

India is the fifth-most vulnerable country in terms of extreme weather events.

India accounted for more than half of the increase in global CO2 output.

Centuryply has responded to these realities with the objective to moderate its carbon footprint.

PRODUCT

The Company is engaged in the manufacture of products that have progressively reduced the consumption of block wood. By this definition, the core rationale of the Company's existence is environment-friendly.

PLANTATIONS

The Company works with resource providers who invested in superior seeds that translated into a superior wood quality. Besides, these institutionalised plantations have increased green area under their control and engaged in sequential and phased resource exploitation with the objective to reduce environment impact.

THE 4R'S

The Company deepened its commitment to the 4R's (reduce, recycle, renewable and replace). This translated into a reduction in resource consumption through technology investments; it increased recycling that benchmarked the Company's compliance with regulatory requirements; it replaced inputs with a high carbon footprint with cleaner alternatives and invested in renewable energy.

The Company became the first in its industry to commission rooftop solar panels across all its seven manufacturing facilities (Joka, Guwahati, Kandla, Chennai, Karnal and Hoshiarpur). Following an extensive analysis, the Company invested in Solivo modules that harvest more power through module-level power tracking technology. Solivo smart modules deliver 30% higher yield, increased reliability, lower maintenance costs, enhanced safety and remote monitoring.

During the year under review, the Company commissioned a solar energy module in its Hoshiarpur unit. The Chennai unit commenced power drawal from wind mill, helping save ₹1 per unit.

Going forward, the Company plans to implement a concentrating solar thermal system to reduce fuel cost.

PERFORMANCE

6399586

Units, total solar energy power generation

5100

Tonnes of carbon dioxide emissions reduced, 2019-20.

SAVINGS AND REVENUES

5

₹ cr, savings through electricity arbitrage, 2019-20

5

Lac units, sold to the grid, 2019-20

CAPACITY AND SELF-SUFFICIENCY

6

MW, installed solar rooftop capacity

20

Per cent of total power requirement addressed through captive solar energy

INVESTMENT AND PAYBACK

28

₹ cr, investment in solar rooftop panels

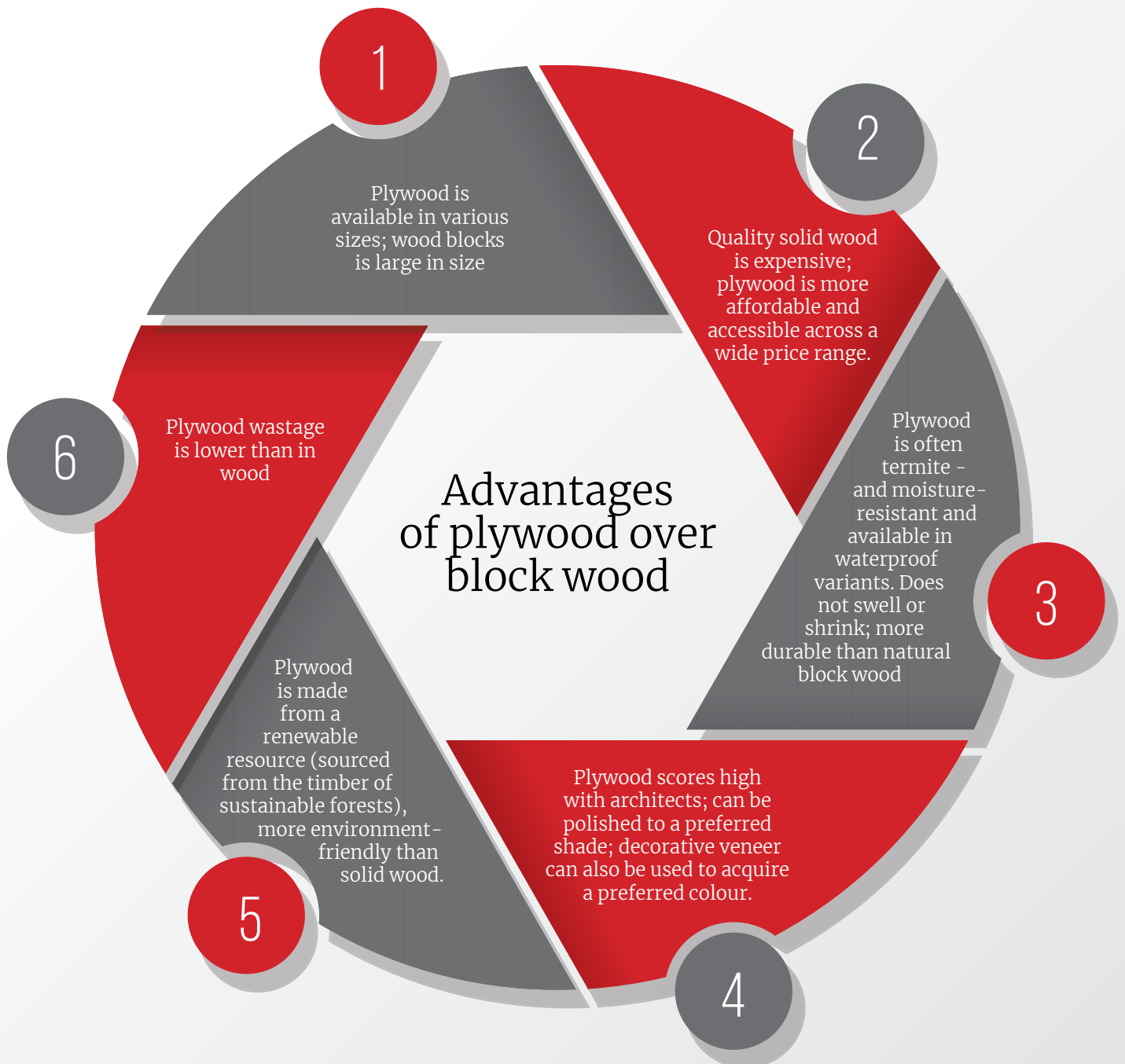
6

Number of years of project payback

THE COMPANY DEEPENED ITS COMMITMENT TO THE 4R'S (REDUCE, RECYCLE, RENEWABLE AND REPLACE). THIS TRANSLATED INTO A REDUCTION IN RESOURCE CONSUMPTION THROUGH TECHNOLOGY INVESTMENTS

COLLABORATIVE ENGAGEMENT

The Tamil Nadu agricultural university, industry players, farmers, bankers and insurance companies have come together to encourage farmers to grow plantation timber. Centuryply conducted tree growers mela to demonstrate how farmers could benefit from this collaboration. The Company distributed saplings for timber (melia dubia variety) growth coupled with assured buyback. The Company distributed saplings of the melia dubia variety.



Segment	Brand	Application	Centuryply utility	Substitution
Plywood	<ul style="list-style-type: none"> Centuryply Centuryply Architect Centuryply Marine Centuryply Elasto Centuryply 710+ BWP Marine Sharonply Maxima Century Win MR Sainik Technopine Fire Safe Bond 710 	<ul style="list-style-type: none"> Formwork Paneling Furniture 	<ul style="list-style-type: none"> Warp-resistant, maintaining original shape over the years More number of plies for added strength Unique GLP formula makes every ply borer and termite proof 	Plywood substitutes high cost wood
Laminates	<ul style="list-style-type: none"> Century Laminates Starline Monocore C Century Ven Lam 	Decorate and protect furniture	<ul style="list-style-type: none"> 7 years warranty Colour fastness Carpenter-friendly Uniform thickness and proper back standing Anti-fungal and anti-bacterial 	
Veneer	<ul style="list-style-type: none"> Natzura Woods Senzura Styles 	Provide surface finish	<ul style="list-style-type: none"> Quality sourcing Latest machinery Strict quality control 	
Block boards	<ul style="list-style-type: none"> Sainik Century Club Prime Century 710+ Maxima Technopine 	Log furniture, lengthy wall panels, doors, sliding	<ul style="list-style-type: none"> Greater bend resistance for sturdier finish More economical, specially where panels of higher thickness are required 	Expensive wood logs
Doors	<ul style="list-style-type: none"> Architect Door Club Prime Pro Sainik Hector WPC Doorframes Technopine 	Doors for rooms	<ul style="list-style-type: none"> 100% borer and termite proof Boiling water proof Bend proof Swell proof Slam proof Smooth surface 	Conventional wooden doors
Pre-lams	Century pre-lams	Low cost furniture	<ul style="list-style-type: none"> Specially made Higher color-fastness Excellent surface smoothness and strength Very good edge compactness Widest range of designs and sizes Eco-friendly 	Low cost plywood
Face veneers	Century Face Veneers	Surface finish for doors and panels	<ul style="list-style-type: none"> Boiling water resistant Wide availability Flexible Economic 	
New-age products	<ul style="list-style-type: none"> Starke (PVC sheets) Zykron (fibre cement board) 	Cladding product	<ul style="list-style-type: none"> Minimal maintenance Fire retardant Waterproof No shrinking or swelling Termite and borer proof Formaldehyde, phenol and toxic free Recyclable Robust and lightweight 	Wood and plywood substitute
MDF	<ul style="list-style-type: none"> Century MDF Prowud Century Premium Plus Century HDF 	Furniture	<ul style="list-style-type: none"> State-of-the-art plant Moisture fighting properties 	Low cost plywood

DIGITALISATION, MODERNISATION AND AUTOMATION AT CENTURYPLY

DIGITALISATION IS KEY TO ENHANCED EFFICIENCY



HOW CENTURYPLY HAS TRANSFORMED OVER THE YEARS

THE COMPANY HAS INVESTED IN THE FUTURE ACROSS PRODUCTS, PEOPLE AND PRACTICES

FROM A SINGLE-PRODUCT COMPANY TO A MULTI-PRODUCT ORGANISATION

The Company was largely a plywood dependent company

The Company strengthened product offerings in response to consumer needs

The Company manufactures laminates, decorative veneer, particle board and MDF

The Company entered the marketing of fibre cement boards

The Company has emerged as a one-stop shop for interior infrastructure products

Result: The non-plywood interior infrastructure segments accounted for 46% revenues in 2019-20

FROM AN EASTERN INDIA-BASED COMPANY TO A WIDENING EXPORT PRESENCE

The Company started its business with manufacturing units in Kolkata.

The Company has seven manufacturing units located across the country

The Company markets products through a network of branch offices and dealers

The Company exports to a number of countries

The result: Eastern India now accounts for only minor part of the Company's revenues

FROM A LEGACY-TECHNOLOGY TO AUTOMATED OPERATIONS

Centuryply's operations were largely manual at one time

The Company invested in high productivity machines and auto core compressors

This improved productivity, reduced manual intervention and enhanced quality

The Company invested in sales force automation and supply chain digitalisation

The result: Operating cost as proportion of total revenue was 87.4% in 2019-20 (88.7% in 2018-19)

CENTURYPLY. SOCIALY RESPONSIBLE.

Corporate Social Responsibility is integral to Centuryply's business model. The Company has been involved in social welfare initiative for more than two decades and believes in making an impact to create a just, equitable, humane and sustainable society.

The Company's CSR initiatives are focused on the broad thematic areas of education, healthcare, animal welfare and environmental sustainability. The Company's CSR initiatives are also focused to address the challenge of capacity building and securing sustainable livelihoods of marginalised

/ unprivileged sections of the society around its manufacturing units.

The Company's CSR is an extension of its commitment to respond ethically and contribute to economic development while improving life quality of the workforce, local communities and society at large.



HEALTHCARE

Marwari Relief Society: Providing support to the operations and running kitchen at the hospital

Dr Bholanath Chakraborty Memorial Trust: Provides support to medical research and treatment

Nature Care and Yoga Centre: Provides support to enhance and upgrade the facilities in Nature Cure & Yoga Centres

Tata Medical Centre: Support to the hospital for treating cancer

CanKids...KidsCan: The Company has supported for establishing a new centre in Kolkata as well as providing support to their day to day operations.



ANIMAL WELFARE

Calcutta Pinjrapole Society: The Company provided support for building a new hospital for treatment of cows at Sodepur.



OUR RELEVANCE IN CSR ACTIVITIES

23

% girls drop out of school every year due to lack of functioning toilets

1

In every 100 children under the age of 10 years in India has autism

3-5

%, proportion of childhood cancer in total cancer cases in India

61

Out of 100 scheduled tribal students who finish senior secondary school, lowest among all communities



ENVIRONMENT

The Company supports farmers with the supply of eucalyptus clones under its Plantation Project



EDUCATION

Friends of Tribal Society: The Company adopts Ekal Vidyalayas in tribal areas

Udayan Care: The Company provides educational support to the girls for school / college / higher studies and vocational studies

Morning Glory School: The Company provides educational and support to children with mental retardation, autism and cerebral palsy.

Kurpai Unnayani Society: The Company provides financial assistance to educational infrastructure development

Others

Indian Institute of Cerebral Palsy: The Company provides support for people with disabilities, particularly those with neuro-motor disabilities and cerebral palsy.

Help Us Help Them: The Company supported the underprivileged children addressed by this NGO

Central Kolkata Prerna Foundation: The Company supports the development and maintenance of cremation ghats



BOARD'S Report

Dear Members,

Your Directors are pleased to present the Company's Thirty-ninth Annual Report and Audited Financial Statements (standalone and consolidated) for the Financial Year ended 31st March, 2020. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

FINANCIAL PERFORMANCE

FINANCIAL HIGHLIGHTS

The Company's financial performance for the year ended 31st March, 2020 is summarised below:

₹ in crore

Particulars	STAND ALONE		CONSOLIDATED	
	2019-20	2018-19	2019-20	2018-19
Gross Income	2293.76	2269.88	2329.79	2287.54
Profit before Depreciation, Interest & Tax	315.17	306.42	292.43	308.75
Depreciation	67.55	49.99	76.31	59.48
Interest & Finance Charges	37.24	44.58	38.90	46.94
Profit before Tax	210.38	211.86	177.22	202.33
Tax Expenses	52.21	53.10	51.93	53.46
Profit after Tax	158.17	158.76	125.29	148.87
Attributable to:				
Owners of the Company	158.17	158.76	150.58	148.45
Non-controlling interests	-	-	(25.29)	0.42
Other Comprehensive Income (net of taxes)	(0.35)	(0.80)	18.31	1.70
Total Comprehensive Income for the year	157.82	157.96	143.60	150.57
Attributable to:				
Owners of the Company	157.82	157.96	168.89	150.08
Non-controlling interests	-	-	(25.29)	0.49
Opening balance in Retained Earnings	914.37	783.19	912.85	791.84
Adjustment with other equity	(0.35)	(0.80)	(0.34)	(0.65)
Adjustment on acquisition of subsidiary	-	-	0.37	-
Amount available for appropriation	1072.19	941.15	1063.46	939.64
Final Dividend- FY 2018-19 (FY 2017-18)	22.22	22.22	22.22	22.22
Tax on Dividend- FY 2018-19 (FY 2017-18)	4.57	4.57	4.57	4.57
Interim Dividend- FY 2019-20	22.22	-	22.22	-
Tax on Interim Dividend- FY 2019-20	4.57	-	4.57	-
Closing Balance in Retained Earnings	1018.62	914.37	1009.88	912.85

OVERVIEW OF THE COMPANY'S FINANCIAL PERFORMANCE

The standalone Revenue from operations and Gross Income for Financial Year 2019-20 at ₹2282.68 crore and ₹2293.76 crore respectively, were both marginally higher over the corresponding figures for Financial Year 2018-19 which stood at ₹2263.83 crore and ₹2269.88 crore respectively.

During the Financial Year ended 31st March, 2020, your Company recorded a Profit before tax of ₹210.38 crore as against ₹211.86 crore in the last year. Net Profit after tax was ₹158.17 crore compared to ₹158.76 crore in previous year.

On consolidated basis, the revenue from operations for Financial Year 2019-20 at ₹2317.03 crore, was higher by 2% over the last year (₹2280.39 crore in Financial Year 2018-19). Profit before tax and Profit after tax were lower by 12% and 16% respectively, compared to the previous year.

The operations and financial results of the Company are elaborated in the annexed Management Discussion and Analysis.

IMPACT OF COVID-19

The COVID-19 pandemic developed rapidly into a global crisis since the last month of March, 2020, forcing governments to enforce lock-downs of all economic activity. Your Company immediately shifted their focus towards ensuring the health and well-being of all employees, staffs and workers engaged across the offices and units in India. In the last week of March, 2020 the Company suspended its production and distribution facilities across India temporarily and moved to 'work from home' policy for all its employees and thereby reducing potential risk to them during the spread of the disease. With the changing Government of India and State Government's guidelines the Company's operations were resumed partially from first week of May at various locations across India after taking requisite measures for ensuring safety and well-being of employees and workers. Although there are uncertainties due to the pandemic, the Company is hopeful that it's the strong balance sheet position and inherent resilience of the business model will assist the Company navigate the challenges ahead and gain its market share.

DIVIDEND

Based on the Company's performance and in conformity with its Dividend Distribution Policy, the Board of Directors of the Company, by Circular Resolution passed on 13th February, 2020, declared an Interim Dividend of ₹1.00 (exclusive of dividend distribution tax) per equity share of ₹1/- each fully paid up for the financial year ending 31st March, 2020. Interim Dividend in respect of Equity Shares held

in physical form has been paid to those Members whose names appeared on the Company's Register of Members, at the close of business hours on 21st February, 2020 and in respect of Equity shares held in electronic form, to all those beneficial owners as on 21st February, 2020 whose details have been furnished by NSDL and CDSL for this purpose.

In view of the ongoing expansion plans coupled with business uncertainties resulting out of the Covid-19 pandemic, your Directors have considered it financially prudent in the long-term interests of the Company to reinvest the profits into the business of the Company. As such no further dividend has been recommended for the year ended 31st March, 2020 and that the aforesaid interim dividend be treated as the final dividend.

The Company continued to balance the dual objectives of appropriately rewarding shareholders through dividends and retaining profits in order to maintain a healthy capital adequacy ratio to support future growth.

The Dividend Distribution Policy of the Company is annexed to this Report as Annexure '6' and is also available on the Company's website at: <https://www.centuryply.com/codes-policies/CPIL-Dividend-Distribution-Policy.pdf>.

TRANSFER TO RESERVES

The Reserves and Surplus of your Company has increased to ₹1051.13 crore in the year 2019-20 as compared to ₹946.87 crore in the year 2018-19. Your Directors have proposed not to transfer any sum to the General Reserve during the Financial Year 2019-20.

SHARE CAPITAL

As on 31st March, 2020, the Company's paid-up Equity Share Capital was ₹22,25,27,240/- comprising of 22,21,72,990 Equity Shares of Face Value of ₹1/- each and ₹3,54,250 received on account of 13,80,000 (post-split) forfeited shares. There has not been any change in the Equity Share Capital of the Company during the Financial Year ended 31st March, 2020. During the Financial Year 2019-20, your Company has neither issued any shares or convertible securities nor has granted any stock options or sweat equity.

INDIAN ECONOMY AND STATE OF AFFAIRS

The Indian economy has been experiencing significant slowdown over the past few quarters. The year 2019-20 was challenging for the Indian economy owing to the decelerating growth rate experienced in the first half of the financial year. In the third quarter of the current fiscal, the economy grew at a six-year low rate of 4.7%. Amongst the various reforms introduced during the year to promote growth

and investment, reduction in corporate income tax rate was a major structural reform. Investment and consumption demand had been languishing and a number of stimulus measures have been taken to bring back the economy on a growth path. While the country's development trajectory is strong, challenges remain.

There was a strong hope of recovery in the last quarter of the current fiscal. However, the new Covid-19 pandemic has made the recovery extremely difficult in the near to medium term. The outbreak has presented fresh challenges for the Indian economy now, causing severe disruptive impact on both demand and supply side elements which has the potential to derail India's growth story.

Greater uncertainty about the future course and repercussion of Covid-19 has also made the financial market extremely volatile, leading to huge crashes and wealth erosion, which in turn is impacting consumption levels. Suspension of operations in most sectors has adversely affected demand across all segments. Consumption is also getting impacted due to job losses and decline in income levels of people due to slowing down of activities in several sectors including retail, construction, entertainment, etc. With widespread fear and panic now increasing among people, overall confidence level of consumers has dropped significantly, leading to postponement of their spending decisions.

On the supply side, shutting down of factories and the resulting delay in supply of goods from overseas has affected many manufacturing sectors in India which are facing an imminent raw material and component shortage. This has hampered business sentiment and affected investment and production schedules of companies.

Given the challenges that the businesses and people are facing currently, the Indian economy is most likely to experience a lower growth during the last quarter of the current fiscal. In case the spread of Covid-19 continues, growth may remain subdued in the first quarter of FY 20-21 as well. Most multilateral agencies and credit rating agencies have therefore revised their 2020 and 2021 growth projections for India keeping in view the negative impact of Covid-19 induced travel restrictions, supply chain disruptions, subdued consumption and investment levels on the growth of both global and the Indian economy.

The World Economic Outlook (WEO) update of January 2020 published by International Monetary Fund (IMF) had projected India's real GDP to grow at 5.8 per cent in 2020-21. In April, 2020 the IMF again issued a report considering the impact of COVID-19 pandemic on the growth of the economies, which forecasted that the growth rates in India will be modest.

Growth in the real estate and building material sector, which has been struggling over the past 3-4 years due to issues like demonetisation, RERA, GST and the NBFC funding crisis, would now need to cope with the COVID-19 impact. The sector's growth, which has already been substantially impacted due to muted real estate growth over FY17-FY20, would possibly witness further deceleration with renovation demand likely to shrink in the near term.

In July 2019, the Union Budget 2019- 20 had articulated the vision of the Hon'ble Prime Minister to make India a US\$ 5 trillion economy by 2024-25. However, as per the economic survey, amidst a weak environment for global manufacturing, trade and demand, the Indian economy slowed down and the milestone of making India a US\$ 5 trillion economy by 2024-25 was challenged. Despite the above facts, the economy is poised for a rebound towards the US\$ 5 trillion goal, on the back of its proven record of growth with macroeconomic stability over the last five years.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes or commitments have occurred between the end of the financial year on 31st March, 2020 and the date of this Report which may affect the financial position of the Company save and except the close-down resulting due to the pandemic Covid-19, impact whereof is unascertainable.

FUTURE OUTLOOK

Nowadays, consumers are replacing their furniture more frequently than in the past, which is largely due to increasing standards of living and a steady increase in disposable income, thereby boosting the demand for wood panel products. Moreover, aesthetic reasons coupled with the need and desire for comfort, also contribute to the constant growth of this market.

With the revenue in the Furniture market amounting to US\$205,395 Million in the year 2020, it is expected that the furniture market will grow annually by 5.1% (CAGR 2020-2023).

The sales in decorative veneers and highlighters have seen flatness that may be due to steep pressure on consumers due to economic slowdown. The Panel manufacturing industry and the wholesale community have been under tremendous stress since a couple of years but there is optimism building for the coming years.

The impact of Covid-19 pandemic is visible on industrial sectors across the products including wood panel, decorative and raw materials. The entire industry and trade transactions and transport is expected to hit badly, which may jeopardize many companies supply chain and businesses. Besides its worrying effects on human life, the novel strain of coronavirus has significantly slowed down the global economy.

Retailers and dealers struggled to maintain their sales tally in present slowdown because there is over-supply scenario in entire decorative and wood panel products. Plywood industry is facing a cut-throat competition. The Company has been able to counter the threat posed by progressive commoditization of plywood by garnering increased realizations from its well established brands, enabling the Company's products.

The housing and real estate sectors has been one of the major contributors to the economy, not only by itself but also because of the support it lends to innumerable ancillary industries like cement,

paint, plywood, laminate, etc. This sector is the biggest demand driver of wood panel products. With the advent of the Pradhan Mantri Awas Yojana Urban (PMAY-U), intending to provide pucca house with basic amenities to all eligible urban poor, it is expected to fuel demand for most building products, with Plywood products being one of them. Out of 1.03 crore houses approved under the PMAY-U scheme, 60 lakhs have been grounded for construction, out of which 32 lakh houses have been completed and delivered. Urban habitats and cities are the epicenters of economic growth and have contributed significantly to the Indian economy.

On the other hand, as many as 5,151 projects worth more than ₹2 lakh crore are being implemented in 100 cities under the government's smart city mission (SCM). As on November 14, 2019, 4,154 SCM projects worth ₹1.49 lakh crore (72 per cent of the total proposals) have been tendered, of which 3,359 projects worth ₹1.05 lakh crore (51 per cent of total proposals) have been issued work orders. Both PMAY-U and the SCM are expected to maintain the buoyancy in demand for panel products in the years to come.

With the introduction of GST (Goods and Services Tax) and reduced tax rate on plywood, i.e. from 28% to 18%, the Indian plywood market has been gradually moving from an unorganized state to an organized state. In order to boost the demand of real estate sector, with effect from 1st April, 2019, GST at an effective rate of 1% without Input Tax Credit on affordable residential apartments and 5% without Input Tax Credit on residential apartments outside affordable segment has been levied. The reduced GST rates for under-construction properties has, to some extent, given the much awaited fillip to the real estate sector which was otherwise witnessing adversities. There is a marginal increase of 5 percent in customs duty on import of furniture. With this the demand of 'Make in India' customized furniture will be fueled. After customs duty hike, net effect would be around 6 to 7 percent increase in price for the end customers. However, the increase being nominal in nature seems to be manageable.

The share of the organised wood panel market has already started expanding on account of the various reforms of the Government backed by high brand aspirations of the consumers. A constant shift towards the organised sector is being witnessed owing to brand and quality awareness, wider choice of products, product innovation and warranty. Centuryply has been the front-runner when it comes to implementing innovative practices at work. Overall, we are optimistic of carving out a progressively larger market and revenue share, increasing margins and value in a sustainable way across the future. The buying capacity of people is likely to increase in the years to come and this will have a positive impact on furniture industry. With the right process and systems, brand image, regional plant set-ups, adequate cash flow there is no point uncovered that does not extend advantage to an organized brand like CenturyPly. The Company forayed into new categories and new variants in existing categories of its products.

A new concept of customization of its economical variant of 'Sainik' plywood was introduced by the Company branded as 'Sainik OEM' to service OEM's with their specific requirements. 'Sainik MR Pro' was introduced to specifically service large projects. The Company's premium brand 'Architect ply' was also revamped with absolute fire retardant properties and other features. Apart from this, the Company enhanced warranty on its Club Prime, Bond 710 and Sainik 710 brand of products by improving their quality.

FUTURE PLANS OF EXPANSION

The Company's Medium Density Fiber (MDF) Board unit at Hoshiarpur in Punjab which started operations during FY 2017-18 with an installed capacity of 198000 cbm per year, managed to attain a capacity utilisation of 65% during FY 2018-19 and the same is expected to be around 85% during FY 2019-20.

The Company's Particle Board unit at Chennai which had started operations in July 2016 with an installed capacity of 54000 cbm per year attained full capacity utilisation during FY 2018-19. With growing demand for the Company's particle board, viability for increasing the capacity of this unit is being assessed.

The Company has incorporated a subsidiary in Gabon, Africa in the name of Century Gabon SUARL to take advantage of availability of Okoume timber for meeting its face veneer requirements. The Company is already having similar backward integration in Myanmar and Laos for securing availability of raw material.

The Company is also analysing the viability of setting-up and operating a MDF and Particle Board manufacturing unit in Uttar Pradesh. Availability of adequate raw-material, pro-activeness of the U.P. Government in promoting wood-based industries in the State and locational advantage in terms of market for MDF and Particle Board are some of favourable factors being considered for this purpose. The Board had already granted its in-principle approval for the proposed project.

Traditionally the Company has been operating in prime or upper segment of plywood market. Over the recent past, growth in this segment has been almost flat. With Government's focus also shifting towards affordable housing, the Company with its economy segment product like 'Bond 710', 'Sainik' and 'Sainik 710' is constantly increasing its capacities and penetrating the mid-market and affordable segments. The Company expects to continue its focus in this segment to widen its customer base. Your Company is also investing heavily on brand positioning for ensuring that the Centuryply brand occupies a distinct position, relative to competing brands, in the mind of the customers.

CHANGE IN NATURE OF BUSINESS, IF ANY

There has not been any change in the nature of business of the Company during the FY ended 31st March, 2020.

SUBSIDIARIES

CHANGES IN SUBSIDIARIES

As on 31st March, 2020, your Company had 11 subsidiaries and 3 step-down subsidiaries. There are no associate companies or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013, as amended from time to time. There has been no material change in the nature of the business of the subsidiaries.

During the year under review, your Company incorporated a wholly owned subsidiary on 19th February, 2020 in the name of 'Century Panels Limited' having registered office at Kolkata with the object of manufacturing and trading of Particle Board, MDF and other related products.

Further, M/s. Auro Sundram Ply & Door Pvt. Ltd, your Company's Subsidiary, acquired the shareholding in another Company viz. 'Asis Plywood Ltd.' which was undergoing corporate insolvency proceedings. Consequently Asis Plywood Ltd. also became a step-down subsidiary of your Company with effect from 28th January, 2020.

Taking into account the above, as on 31st March, 2020, your Company's subsidiaries were Auro Sundram Ply & Door Pvt. Ltd., Century MDF Ltd., Ara Suppliers Pvt. Ltd., Arham Sales Pvt. Ltd., Adonis Vyaper Pvt. Ltd., Apnapan Viniyog Pvt. Ltd., Century Infotech Ltd., Century Panels Ltd., Centuryply Myanmar Pvt. Ltd., Century Ply (Singapore) Pte. Ltd. and Century Gabon SUARL and its step-down subsidiaries were Asis Plywood Ltd., Century Ply Laos Co. Ltd., Century Huesoulin Plywood Lao Co. Ltd.

Your Company does not have any material subsidiary whose net worth exceeds 10% of the consolidated net worth of the Company in the immediately preceding financial year or has generated 10% of the consolidated income of the Company during the previous financial year.

OPERATIONS

There has been no material change in the nature of the business of the subsidiaries/ step-down subsidiaries during the year under review.

Auro Sundram Ply & Door Pvt. Ltd. is engaged in the manufacturing of plywood and allied products from eco-friendly agro-forestry timber and operating a plywood unit at Roorkee in Uttarakhand.

Century Infotech Ltd. is engaged in the business of e-commerce, e-shopping, online information services, online application integration including buying, selling, marketing, trading and dealing in various kinds of products and services.

Centuryply Myanmar Pvt. Ltd. is operating a veneer and plywood unit near Yangon city in Myanmar and is supplying the same primarily to our Company.

Century Ply (Singapore) Pte. Ltd. is undertaking trading in veneer and plywood. It has entered into arrangements with various entities

in Laos whereby it has provided them with plant and machinery for manufacture and supply of veneer and plywood to it.

Century Ply Laos Co. Ltd. is engaged in the manufacturing veneer in Attapeu province in Laos out of raw material sourced locally while Century Huesoulin Plywood Lao Co. Ltd. is manufacturing plywood at its unit in Savannakhet Province in Laos. However, due to administrative restrictions imposed by the Laos Government, the operations of these step-down subsidiaries and consequently that of Century Ply (Singapore) Pte. Ltd. remained suspended during the financial year under review.

Ara Suppliers Pvt. Ltd., Arham Sales Pvt. Ltd., Adonis Vyaper Pvt. Ltd. and Apnapan Viniyog Pvt. Ltd. jointly own and hold some land in Kolkata which is yet to be developed. Century MDF Ltd. and Century Panels Limited are presently not operational.

Adhering to the guidelines issued by the governing authorities of the respective countries and also with the intent of ensuring the health and well-being of all employees, staffs and workers engaged across the offices and units, both in India and abroad in the wake of Covid-19, the Company's Subsidiaries also suspended their production and distribution facilities temporarily and moved to 'work from home' policy for all its employees, thereby reducing potential risk to them during the spread of the disease. Gradually, with the changing directives, their operations were resumed partially from first week of May after taking requisite measures for ensuring safety and well-being of employees and workers.

POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

In accordance with Regulation 16(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time, the Company has a policy for determining material subsidiaries and the same is available on the website of the Company at <https://www.centuryply.com/codes-policies/CPIL-Policy-on-material-subsiary.pdf>.

FINANCIAL POSITION & PERFORMANCE

The Company monitors performance of subsidiary companies, inter alia, by the following means:

- Financial statements of the subsidiary companies are reviewed by the Company's Audit Committee.
- Major investments made by the subsidiaries are reviewed quarterly by the Company's Audit Committee.
- Minutes of Board meetings of subsidiary companies are placed before the Company's Board regularly.
- Significant transactions and arrangements entered into by subsidiary companies are placed before the Company's Board.

In accordance with the proviso to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a Statement in the prescribed Form AOC-1 containing the salient features of the financial statements of each of your Company's

Subsidiaries is appended as Annexure '1' to this Report.

The Contribution of the subsidiaries to the overall performance of the Company during the year is given in note no. 48 of the Consolidated Financial Statement.

ACCOUNTS

CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to Section 129(3) of the Companies Act, 2013 and Regulation 34(2) of Listing Regulations, the Consolidated Financial Statements prepared in accordance with the applicable provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, Companies (Indian Accounting Standards) Rules, 2015 and other applicable provisions, along with Auditor's Report thereon forms part of this Annual Report. The same includes the financial details of all the subsidiaries of the Company.

The Annual Report of the Company, containing therein its standalone and consolidated financial statements together with other documents required to be attached thereto, has been placed on the website of the Company, www.centuryply.com. The Audited Financial Statements of each of the Subsidiaries, detailing their respective performances have also been placed on the website of your Company at www.centuryply.com under the 'Investors' section. The Financial Statements along with audit reports thereto in respect of the Company's subsidiaries are available for inspection by the Members at the Registered Office of the Company and that of the respective subsidiaries during working days between 11.00 A.M. and 1.00 P.M. Shareholders interested in obtaining a copy of the audited financial statements of the subsidiary companies may write to the Company Secretary at the Company's registered office.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of loans, guarantees given and investments made during the year in accordance with Section 186 of the Companies Act, 2013 are given in Annexure-'2' hereto and forms a part of this Report.

The aggregate of loans, guarantees given and investments made by the Company in accordance with Section 186 of the Companies Act, 2013, does not exceed the higher of sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/ arrangements/ transactions with related parties, entered into or modified by the Company during the Financial Year 2019-20, as referred in Section 188(1) of the Companies Act, 2013 read with Rules thereunder, were on an arm's length basis. The said transactions with Related Parties were entered into for the benefit and in the interest of your Company and its stakeholders. These transactions were inter alia based on various considerations such as business exigencies, synergy in operations, the policy of

the Company and resources of the Related Parties. There was no material related party transaction made by the Company during the year requiring shareholders' approval under Regulation 23(4) of the Listing Regulations or Section 188 of the Companies Act, 2013 read with Rules made thereunder.

All transactions with Related Parties are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are foreseeable and of a repetitive nature. A statement of transactions entered into pursuant to the approvals so granted is placed before the Audit Committee and the Board of Directors on a quarterly basis.

During the year, the Company had not entered into any contract/ arrangement / transaction with related parties which could be considered material in terms of the Company's Policy on Materiality of and dealing with Related Party Transactions. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in Form AOC-2 is not applicable.

The Related Party Disclosures in terms of Regulation 34(3) read with Part A of Schedule V of the Listing Regulations is provided under note no. 41 of the Notes to the Financial Statements. There are no materially significant transactions with related party which may have a potential conflict with the interest of the Company at large.

Your Company's Policy on materiality of and dealing with Related Party Transactions as formulated and adopted by the Board of Directors in terms of Regulation 23(1) of the Listing Regulations, may be accessed on the Company's website at: <https://www.centuryply.com/codes-policies/Policy-on-Materiality-of-and-dealing-with-related-party-transactions.pdf>. The Policy intends to regulate transactions between the Company and its Related Parties based on the applicable laws and regulations and also lays down mechanism for identification, approval, review and reporting of such transactions.

PUBLIC DEPOSITS

During the Financial Year 2019-20, the Company has not invited, accepted or renewed any public deposits covered under Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. As such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

AUDITORS

STATUTORY AUDITORS

M/s Singhi & Co, Chartered Accountants (ICAI Firm Registration No. 302049E) has been your Company's Auditors since 2014. In terms of the provisions of Section 139 of the Companies Act, 2013 read with provisions of the Companies (Audit and Auditors) Rules, 2014, as amended, the Members at the Thirty-Eighth Annual General Meeting held on 4th September, 2019, approved their re-

appointment as Statutory Auditors of the Company for a second term of five consecutive years, i.e., from the conclusion of the Thirty-eighth Annual General Meeting until the conclusion of Forty-third Annual General Meeting to be held in the calendar year 2024.

Your Company has received a confirmation from M/s. Singhi & Co., Chartered Accountants confirming their eligibility to continue as Auditors of the Company in terms of Section 141 of the Companies Act, 2013 and the Rules framed thereunder and that their appointment is within the limits prescribed under Section 141(3) (g) of the Companies Act, 2013. M/s. Singhi & Co. have also confirmed that they have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and holds a valid certificate issued by the Peer Review Board of ICAI as required under Regulation 33(1)(d) of the Listing Regulations.

STATUTORY AUDITORS' REPORT

The Auditors' Reports issued by the Statutory Auditors, M/s. Singhi & Co, on the Standalone and Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2020 is set out in the Financial Statements and forms part of this Annual Report. The Statutory Auditors have issued an unmodified audit opinion on the Company's Financial Statements for the year ended 31st March, 2020. There are no qualifications or reservations or adverse remarks or disclaimers in the said Report.

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or the Board of Directors or Central Government under Section 143(12) of the Companies Act, 2013 read with Rule 13 of The Companies (Audit and Auditors) Rules, 2014.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Listing Regulations, the Board had appointed M/s MKB & Associates, a firm of Company Secretaries in Practice, as Secretarial Auditor to conduct Secretarial Audit of the Company for the Financial Year 2019-20 and their report in Form MR-3 is appended hereto as Annexure '3'.

The said Secretarial Audit Report for the Financial Year 2019-20 does not contain any qualification, reservation, adverse remark or disclaimer.

No frauds have been report by any of the Auditors of the Company during the year under review.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

I. INDEPENDENT DIRECTORS:

(A) CHANGES IN INDEPENDENT DIRECTORS:

In terms of Section 149(11) of the Companies Act, 2013, no

Independent Director shall hold office for more than two consecutive terms. The second term of Sri Mangilal Jain (DIN-00353075) as an Independent Director of the Company got completed on 31st March, 2020. The Directors wish to place on record their appreciation for the contribution made by Sri Jain during his long association with the Company.

Pursuant to recommendation of Nomination & Remuneration Committee, the Board of Directors at its meeting held on 3rd February, 2020, appointed Sri Amit Kiran Deb (DIN- 02107792) as an Additional Director in the Independent category, not liable to retire by rotation, with effect from 1st April, 2020 for a term up to 30th September, 2023, in place of Sri Mangilal Jain , whose second term expired on 31st March, 2020, subject to regularisation/ approval of the shareholders of the Company at the ensuing Annual General Meeting. The Board of Directors of your Company recommends his appointment.

Pursuant to the provisions of Section 149 and 152 read with Schedule IV of the Companies Act, 2013 and the Rules thereunder, the shareholders at the Annual General Meeting held on 1st September, 2017 inter-alia, confirmed appointment of Sri Vijay Chhibber (DIN: 00396838) as an Independent Director with effect from 1st February, 2017 to 31st January, 2020, that of Sri Sunil Mitra (DIN: 00113473) from 3rd August, 2017 to 31st July, 2020 and of Sri Debanjan Mandal (DIN: 00469622) from 1st August, 2017 to 31st July, 2020.

As per the provisions of Section 149(10) of the Companies Act, 2013, Independent Directors can be re-appointed for a second term of up to five consecutive years on passing of special resolution by shareholders of the Company and disclosure of such appointment in its Board's report.

Accordingly, in terms of Sections 149(10) and 149(11) of the Companies Act, 2013, the first term of Sri Vijay Chhibber as Independent Director of the Company expired on 31st January, 2020 and that of Sri Sunil Mitra and Sri Debanjan Mandal is due to expire on 31st July, 2020. The Board of Directors at its meeting held on 9th August, 2019, after considering the recommendations of the Nomination and Remuneration Committee and on the basis of the report of performance evaluation of Independent Directors and their respective consents, recommended reappointment of Sri Vijay Chhibber for a second term from 1st February, 2020 to 31st January, 2025, that of Sri Sunil Mitra and Sri Debanjan Mandal from 1st August, 2020 to 31st July, 2025, as Independent Directors on the Board of the Company and the same was approved by the Shareholders, by way of Special Resolution at their Annual General Meeting held on 4th September, 2019.

The Company had received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing the candidature of Sri Amit Kiran Deb for the office of Independent Director of the Company.

The Company had also received from Sri Amit Kiran Deb(i) consent to act as Director in writing in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules,

2014, (ii) disclosure in Form DIR-8 pursuant to Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013 and (iii) declaration to the effect that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act, Rules thereunder and under the Listing Regulations.

The detailed profile of Sri Amit Kiran Deb and particulars of his experience, skill and attributes that qualify him for Board Membership together with other details as required under the Companies Act, 2013, Secretarial Standards and Listing Regulations, are given in the explanatory statement attached to the Notice of the ensuing Annual General Meeting. The said appointment is subject to the approval of shareholders.

(B) DECLARATION BY INDEPENDENT DIRECTORS

As per the provisions of Section 149 (7) of the Companies Act, 2013 read with Rules made thereunder and as per Regulation 25(8) of Listing Regulations, your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations. There has been no change in the circumstances affecting their status as an Independent Director during the year. The Independent Directors have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The independent directors have complied with the Code of Conduct as formulated by the company and have also complied with Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013.

(C) FAMILIARIZATION PROGRAMME

Considering the diversified nature of the Company's business and also for facilitating their active participation, it is important that the Independent Directors are well versed with the business and all the related activities including but not limited to the nature of industry, products, markets, operations, subsidiaries and its businesses, policies, regulatory aspects affecting the Company, etc. This is achieved through a structured familiarisation plan. In view of this and pursuant to provisions of Regulation 25(7) of the Listing Regulations and Schedule IV of the Companies Act, 2013, the Company has in place a structured Familiarization Programme for Independent Directors. The Program aims to provide insights into the Company to enable the Independent Directors understand their roles, rights and responsibilities and to get updated on the Company's Business and Operations so that they may contribute significantly to the Company.

A detailed overview of the Company's familiarization program can be accessed through weblink: <https://www.centuryply.com/codes-policies/Familiarization-Programme-for-Independent-Directors.pdf>.

Your Company conducted a familiarization programme for all its Independent Directors on 3rd February, 2020 wherein a visit to the Company's manufacturing facility at Kolkata was organised. The Independent Directors were given an overview of the plant operations, production processes, important raw materials, finished goods, health and safety measures, environmental and other applicable laws, etc.

Presentations, during Board Meetings, were also made by the Company Secretary giving an overview of roles, responsibilities and liabilities of Independent Directors along with an in-depth analysis of the latest regulatory amendments and requirements of the Companies Act and various SEBI Regulations. Further, periodically the senior management of your Company makes presentation to apprise the Independent Directors of the domestic/ overseas industry scenario, business model of the Company and its strategic priorities. The details of such Familiarization programme for the Independent Directors conducted during the year under review has been uploaded on the website of the Company and is available at the weblink: https://www.centuryply.com/investor-information/Familiarisation-Programme-Details_2019-20.pdf.

Your Company believes that a Board which is well informed will contribute significantly to management of current and potential strategic issues. In pursuit to this, your Company endeavors to regularly update the Independent Directors by providing them with necessary presentations, documents, reports, internal policies and updates to familiarise them with the Company's business, policies, procedures and practices at various Meetings held during the year.

The Independent Directors are made aware of their role, function, duties and responsibilities through a formal letter of appointment which also stipulates terms and conditions of their engagement. The Company conducts the orientation process for Non-Executive Independent Directors which includes interactive sessions with Board and Committee members, Business and Functional Heads, Newly appointed Independent Directors are provided an introductory kit containing Memorandum and Articles of Association of the Company, organisational structure, set of major statutory and internal policies of the Company, Board and Committee structure and details about the Company's subsidiaries. Independent Directors are provided with necessary documents/brochures, reports and policies to enable them to familiarize with the Company's procedures and practices.

Your Company hosts site visits to the Company's factory locations for the Independent Directors to enable them to understand the operations of the Company. Apart from in-house programme, the Independent Directors are also encouraged to participate in various training sessions to update and refresh their skills and knowledge.

Each Director of the Company has complete access to any information relating to the Company. Independent Directors have the freedom at all times to interact with the Company's management. The Company's Board has open channels of communication with

executive management which allows free flow of communication amongst Directors in terms of raising query and seeking clarifications.

(D) STATEMENT REGARDING INDEPENDENT DIRECTOR

The Board opined that your Company has been fortunate over the years to have experienced persons from diverse fields as Independent Directors on its Board. In the opinion of the Board, the Independent Directors appointed during the year are highly skilled and their expertise provides a unique contribution to the Board's overall effectiveness. Further, the Independent Directors maintained high standard of ethics and demonstrated highest level of integrity including maintaining utmost confidentiality and identifying disclosing and managing conflicts of interest.

Further, the Independent Directors have also confirmed compliance with the provisions of Rule 6(1) of the Companies (Appointment & Qualification of Directors) Rules, 2014 with respect to inclusion of their names in the data bank maintained by the Indian Institute of Corporate Affairs at Manesar.

II. NON- INDEPENDENT DIRECTORS:

(A) CHANGES IN NON-INDEPENDENT DIRECTORS:

There has not been any appointment/ retirement/ resignation of Non-independent Directors during the Financial Year ended 31st March, 2020.

(B) RETIREMENT BY ROTATION:

Pursuant to the provisions of Section 152(6)(c) of the Companies Act, 2013, Sri Hari Prasad Agarwal (DIN: 00266005) and Sri Prem Kumar Bhajanka (DIN: 00591512), being longest in office, retire by rotation, and being eligible, offer their candidature for re-appointment as Directors. In view of their considerable experience and contribution to the Company, the Board recommends their re-appointment. The detailed profiles of the aforesaid Directors and particulars of their experience, skill and attributes that qualify them for Board Membership together with other details as required under the Companies Act, 2013, Secretarial Standards and Listing Regulations, are given in the explanatory statement attached to the Notice of ensuing Annual General Meeting of the Company.

III. KEY MANAGERIAL PERSONNEL

There has not been any appointment/ retirement/ resignation of Key Managerial Personnel during the Financial Year ended 31st March, 2020.

IV. INTER-SE RELATIONSHIPS BETWEEN THE DIRECTORS

None of the Directors of the Company are related inter-se, except for Sri Keshav Bhajanka who is the son of Sri Sajjan Bhajanka, Chairman and Managing Director and Smt. Nikita Bansal, who is the daughter of Sri Sanjay Agarwal, CEO & Managing Director.

MEETINGS

MEETINGS OF BOARD OF DIRECTORS

During the year under review, the Board met four times, i.e., on 27th May, 2019, 9th August, 2019, 8th November, 2019 and 3rd February, 2020. The maximum time gap between any two consecutive Board meetings did not exceed 120 days. The details of the Meetings held during the year are given in the Corporate Governance Report forming part of the Annual Report.

MEETINGS OF INDEPENDENT DIRECTORS

During the year under review, the Independent Directors met once on 3rd February, 2020 without the presence of Non-Independent Directors and members of the Management, inter alia to:

- Review the performance of Non-Independent Directors, the Board as a whole and that of its Committees;
- Review the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and
- Assess the quality, content and timeliness of flow of information between the Company's management and the Board which is necessary for the Board to effectively and reasonably perform its duties.

MANAGERIAL REMUNERATION

PARTICULARS OF MANAGERIAL REMUNERATION

Information 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 is annexed to the Board's Report and marked as Annexure '4'.

Your Directors state that none of the Executive Directors of the Company received any remuneration or commission from any of its Subsidiaries.

PARTICULARS OF EMPLOYEES

The statement in respect of employees, as required under Section 197 of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure '4' forming part of this Report. There was also no employee receiving remuneration during the year in excess of that drawn by the Managing Director or Whole-time Director and holding by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

CORPORATE GOVERNANCE MEASURES

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) and 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and belief, states that it had:-

- (i) followed the applicable accounting standards in the preparation of the Annual Accounts for the year ended 31st March, 2020 along with proper explanations relating to material departures, if any;
- (ii) 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 as at the end of the Financial Year 31st March, 2020 and of the profit of the Company for that period;
- (iii) taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) prepared the Annual Accounts of your Company for the Financial Year ended 31st March, 2020 on a 'going concern' basis;
- (v) laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis report, capturing your Company's performance, industry trends and other material changes with respect to your Company and its subsidiaries is presented in a separate section forming part of the Annual Report. The Report provides a consolidated perspective of economic, social and environmental aspects material to our strategy and our ability to create and sustain value to our key stakeholders and includes aspects of reporting as required by Regulation 34(2)(e) read with Schedule V of the Listing Regulations.

CORPORATE GOVERNANCE

Your Company's philosophy on Corporate Governance mirrors its belief that principles of transparency, fairness and accountability towards the stakeholders are the pillars of a good governance system. The Company's business structures, values, cultures, policies and procedures are designed to ensure that the Company is managed in a manner that meets stakeholder's aspirations and societal expectations. The Company believes in achieving business excellence and optimizing long-term value for its shareholders on a sustained basis through ethical business conduct.

Your Company is committed to adopt best Corporate Governance practices to boost long-term shareholder value without compromising the rights of the minority shareholders.

Your Company complies with the applicable provisions of the Companies Act, 2013 and applicable Secretarial Standards issued by the Institute of Company Secretaries of India. Apart from complying with the mandatory requirements, your Company also complies with certain discretionary requirements of Corporate Governance as

specified in Part E of Schedule II of the Listing Regulations.

In compliance with the provisions of Regulation 34 of the Listing Regulations read with Schedule V of Listing Regulations, a Report on Corporate Governance for the Financial Year ended 31st March, 2020 along with a Certificate issued by M/s. MKB and Associates, Company Secretaries in Practice, confirming compliance with the requirements of Corporate Governance, forms a part of the Annual Report.

CEO & CFO CERTIFICATION

In terms of Regulation 17(8) read with Schedule II Part B of the Listing Regulations, a certificate from the Chief Executive Officer and Chief Financial Officer of the Company addressed to the Board of Directors, inter alia, confirming the correctness of the financial statements and cash flow statements for the Financial Year ended 31st March, 2020, adequacy of the internal control measures and reporting of matters to the Audit Committee, is provided elsewhere in this Annual Report.

INTERNAL CONTROLS/ INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

Your Company has established a robust framework of Internal Financial Control which includes a combination of Entity level controls, Process level controls and IT general controls for ensuring the orderly and efficient conduct of business, including adherence to the Company's policies, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial disclosures. In compliance with the provisions of the Companies Act, 2013, your Company has laid down requisite system of internal controls, commensurate with the nature of its business, the size and complexity of its operations. These are designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance of corporate policies. Unit heads are responsible to ensure compliance with the policies and procedures laid down by the management. The Internal Control Systems are being periodically reviewed and updated with new / revised standard operating procedures in order to align the same with the changing business environment.

To further strengthen the Internal Financial Controls, your Company uses a state-of-the-art enterprise resource planning (ERP) system as a business enabler, to inter-alia, record data for accounting, consolidation and management information purposes and connects to different locations for efficient exchange of information. This system has inbuilt transactional controls, tiered approval mechanisms and maintenance of supporting records. Standard operating procedures have been laid down to guide the operations of the business. Robust and continuous internal monitoring mechanisms and review processes ensure that such systems are reinforced on an ongoing basis. Such controls have been tested during the year and no reportable material weakness or significant

deficiencies in the design or operation of internal financial controls was observed.

The internal control systems of your Company are monitored and evaluated by an external consultant and their audit reports are periodically reviewed by the Audit Committee which suggests improvements thereto. It also regularly reviews the budgetary control system of the Company as well as system for cost control, financial controls, accounting controls, physical verification controls, etc. to assess the adequacy and effectiveness of the internal control systems. Regular review of the established internal controls system of the Company were undertaken and deficiencies in the design or operation of such control, if any, was discussed with the Auditors and the Audit Committee and suitable actions to rectify those deficiencies were recommended for implementation.

Your Board is of the opinion that the Internal Financial Controls, affecting the Financial Statements of your Company for the Financial Year ended 31st March, 2020 were adequate and are operating effectively.

PERFORMANCE EVALUATION

Your Directors understand that Performance evaluation is a key to identify areas for potential adjustment and address the drawbacks that may improve the group dynamics. The evaluation process improves the leadership, teamwork, accountability, decision-making, communication and efficiency of the Board, Committees and Directors.

In accordance with the 'Board Evaluation Policy' of the Company as laid down by the Nomination and Remuneration Committee and adopted by the Board, the Independent Directors at their separate Meeting held on 3rd February, 2020, collectively reviewed the performance of the non-independent Directors, the Board as a whole and that of its Committees. At the said Meeting, they also reviewed the performance of the Chairman of the Company, after taking into account the views of executive directors and non-executive directors and assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board.

In accordance with the 'Board Evaluation Policy' of the Company and based on the criteria and framework for Performance Evaluation laid down by the Nomination and Remuneration Committee and adopted by the Board, the Independent Directors, at their separate meeting, evaluated the performance of Non- Independent Directors, the Board as a whole, and that of its Committees. Performance of the Chairperson of the Company was also evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The Nomination and Remuneration Committee carried out evaluation of performance of all Independent Directors.

The Independent Directors have expressed their satisfaction at the robustness of the evaluation process, outcome thereof, the Board's freedom to express its views on matters transacted at the Meetings

and the openness and transparency with which the Management discusses various subject matters specified on the agenda of meetings. They were of the view that the Board and its Committees were functioning properly under the guidance of the Chairperson of the Board/ respective Committees. Further, each Director contributed effectively and demonstrated commitment to their roles. Parameters and process applied for carrying out the evaluation has been discussed in detail in the Corporate Governance Report.

The Board, at its meeting held on 3rd February, 2020 discussed and took on record the performance evaluation carried out by the Independent Directors and by the Nomination and Remuneration Committee. Thereafter, the Board carried out an evaluation of its own performance and that of its Committees. The individual performance of all Directors (including the Independent Directors) was also carried out by the entire Board without the presence and participation of the Director being evaluated.

Based on the evaluations, the performance of the Board, its Committees and Individual Directors (including Independent Directors) was found to be satisfactory. The Board and its Committees had been highly effective in achieving their respective charters of monitoring the overall performance of the Company, overseeing the performance of the management and thus overall upholding high standards of corporate governance. The board meetings were well run and the members of the Board acted with sufficient diligence and care.

It was unanimously opined that each of the Directors perform to their optimum capabilities. Each Director participates constructively in the Meetings of the Board and the Committees in which they are a member. These meetings witnessed open discussions, healthy debate and constructive contribution by each participant without any fear or favour. The Directors apply their independent judgement and effectively deploy their expertise and knowledge in Board/ Committee proceedings, while keeping the interest of all the Stakeholders at the fore-front. Non- Independent Directors, including the Chairman and Managing Directors are insightful and convincing, besides having in-depth knowledge of the Company and the environment in which it operates. The Chairman is responsible for fostering and promoting the integrity of the Board while nurturing a culture where the Board works harmoniously for the long-term benefit of the Company and all its stakeholders. The Chairman guides the Board for effective governance structure in the Company, displaying professionalism, efficient leadership and decisiveness in his judgements.

The Board as a whole is integrated and balanced where diverse views are expressed and discussed, with each Director bringing to the table, knowledge and expertise key to his or her profile. All Directors are participative, interactive and communicative. Besides, the Chairman has abundant knowledge, experience, skill and understanding of the Board's functioning and conducts the meetings with poise and maturity.

Information is provided to the Board and Committee Members on a continuous basis for their review, inputs and approval from time to time. The Independent Directors reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees and unanimously opined that the same is proper, adequate and timely.

The evaluation process endorsed the Board Members' confidence in the ethical standards of the Company, cohesiveness amongst the Board Members, constructive relationship between the Board and the Management and the openness of the Management in sharing strategic information to enable Board Members to discharge their responsibilities.

COMMITTEES OF BOARD OF DIRECTORS

As on the date of this Report, the Board has seven Committees out of which five have been mandatorily constituted in compliance with the requirements of Companies Act, 2013 and Listing Regulations while two non-mandatory Committees have been constituted to assist it in the management of the day-to-day affairs of the Company and to increase the efficacy of governance. The Board has adopted charters setting forth the roles and responsibilities of each of the Committees. The Board has constituted following Committees to deal with matters and to monitor activities falling within their respective terms of reference:-

MANDATORY COMMITTEES

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

NON-MANDATORY COMMITTEES

- Share Transfer Committee
- Finance Committee

Details of composition of the above Committees, their terms of reference, number of meetings held during the year, attendance therein and other related aspects are provided in the Corporate Governance Report forming part of the Annual Report. There has been no instance where the Board has not accepted the recommendations of its Committees.

POLICIES AND CODES

REMUNERATION POLICY

In terms of Section 178 of the Companies Act, 2013, your Company has adopted a 'Remuneration Policy' providing a framework for appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel together with criteria for determining qualifications, positive attributes and independence of a Director. In terms of the proviso to Section 178

(4) of the Companies Act, 2013 the Company's Remuneration Policy is available on its website at <https://www.centuryply.com/codes-policies/Remuneration-policy.pdf>. The same is also appended as 'Annexure 5' to this Report. During the year under review, there was no change in the Company's Remuneration Policy.

Your Company's Remuneration Policy is directed towards providing a well-balanced and performance-related compensation package, taking into account shareholder interests, industry standards and relevant Indian corporate regulations. Further, it aims attract, retain and motivate highly qualified members for the Board and other executive level and ensure their long term sustainability. The Policy is designed to ensure that:

- a) the company is able to attract, retain and motivate highly qualified members for the Board and other executive level and ensure their long term sustainability.
- b) the company is able to provide a well-balanced and competitive compensation package to its Executives, taking into account their roles and position, shareholder interests, industry standards and relevant regulations.
- c) remuneration of the Directors and other Executives are aligned with the business strategy and risk tolerance, objectives, vision, values and long-term interests of the company.

BOARD DIVERSITY POLICY

Your Company recognizes and embraces the importance of a diverse Board in its success and aims to attract and maintain a Board which has an appropriate mix of diversity, skills, experience and expertise. The Board composition as on the date of this report meets the above objective. Your Company believes that attracting, recruiting and retaining a diverse team at the Board level will enhance Company's reputation and will help the Company in furtherance of its objectives. Your Company has over the years been fortunate to have eminent persons from diverse fields as Directors on its Board. The Company believes that a truly diverse Board leverages differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity and gender that will help the Company retain its competitive advantage.

The Company has formulated and adopted a Policy on Board Diversity as required under Regulation 19 read with Part D of Schedule II of Listing Regulations. The Board Diversity Policy adopted by the Company sets out its approach to diversity. This policy aims to address the importance of a diverse Board in harnessing the unique and individual skills and experiences of the members in a way that collectively benefits the organisation and business as a whole. The said Policy makes the Nomination and Remuneration Committee of the Company responsible for monitoring and assessing the composition and performance of the Board, as well as identifying appropriately qualified persons to occupy Board positions.

The Board Diversity Policy is available on our website at <https://www.centuryply.com/codes-policies/Board-Diversity-Policy.pdf>.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

Your Company encourages honesty from and among its Employees by promoting a transparent structure and effective communication. The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. Your Company promotes zero tolerance towards corruption, illegal and unethical behaviour and has always been in forefront in encouraging a corruption free ethical working environment. To maintain these standards, your Company has a well-documented whistle blower policy with clear and adequate safeguards against victimization of whistle blowers.

Your Company's Whistle Blower Policy/ Vigil mechanism provides a channel to the Employees and Directors of the Company to report genuine concerns about unethical behaviour, actual or suspected incidents of fraud or instances of leakage/ suspected leakage of unpublished price sensitive information or violation of the Company's Code of Conduct and/ or the Insider Trading Code adopted by the Company that could adversely impact the Company's operations, business performance and reputation that could adversely impact the Company's operations, business performance and / or reputation. Further, the Policy provides complete confidentiality of the matter so that no unfair treatment is meted out to the Whistle Blower for reporting any concern. The Policy provides that the Vigilance and Ethics Officer of the Company investigates such incidents, when reported, in an impartial manner and takes appropriate action to ensure that requisite standards of professional and ethical conduct are always upheld.

The Audit Committee oversees the implementation of the Whistle Blower Policy which provides for direct access to the Chairman/ CEO/ Chairman of the Audit Committee in exceptional cases. The said policy has been posted on the Company's website at: <https://www.centuryply.com/codes-policies/Vigil-Mechanism-Policy-CPIL.pdf>. During the Financial Year ended 31st March, 2020, no case was reported under this policy. Further, no employee or Director was denied access to the Audit Committee or its Chairman.

RISK MANAGEMENT POLICY

Your Company has a comprehensive risk management framework in place and a robust organizational structure for managing and reporting risks. Your Company is conscious that how better risk management techniques may provide early signals of probable threats to the Company so that they may be addressed in time. Your Company has a dedicated Risk Management Committee to implement, monitor and review the risk management plan. Risk management process has been established across your Company and is designed to identify, assess and frame a response to threats that may affect achievement of its objectives. The Audit Committee has additional oversight in the area of financial risks and controls.

The risk management process begins with identification of risks, analysing the risk factors, making assessment of the same and

thereafter formulation of processes to mitigate the same.

The Board of Directors of your Company has framed and adopted a policy on Risk Management to minimise the adverse consequence of risks on business objectives of the Company. The Board is kept informed about the risk assessment and minimization procedures. The risk management framework is reviewed periodically by the Board and the Audit Committee.

The development and implementation of Risk Management Policy has been covered in the Management Discussion and Analysis, which forms part of this report. In the opinion of the Board, the Company is not faced with any material risks that may threaten the existence of the Company.

POLICY ON PREVENTION OF SEXUAL HARASSMENT

Your Company is committed to provide a safe and secure workplace to all women thereby promoting gender-equality and socio-economic development of the Country. Your Company firmly believes in providing a safe, supportive and friendly workplace environment – a workplace where our values come to life through underlying behaviour. Positive workplace environment and a great employee experience are integral parts of our culture. Your Company believes in providing and ensuring a workplace free from harassment and gender-based discrimination. The Company is an equal opportunity provider and continuously strives to build a work culture which promotes the respect and dignity of all employees across the Organization.

In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has formulated a well-defined policy on prevention, prohibition and redressal of complaints relating to sexual harassment of women at the workplace. The Policy intends to provide a sense of security at the workplace which in turn improves women's participation in work, resulting in their economic empowerment and inclusive growth. The Policy serves as a guide for employees to report sexual harassment cases at workplace and our process ensures complete anonymity and confidentiality of information. The said Policy is available on your Company's website www.centuryply.com.

Your Company has a robust mechanism in place to redress complaints reported under it. There is an Internal Complaints Committee (ICC) comprising of internal members and an external member who is a social worker, working extensively towards women's empowerment. Adequate workshops and awareness programme against sexual harassment are conducted across the organization. Aggrieved woman may report complaints to the ICC formed for this purpose or to any member thereof or to the location head, who is also a member of the ICC. During the year, no complaint regarding sexual harassment was received by the said Committee.

DIVIDEND DISTRIBUTION POLICY

Your Company is deeply committed to driving superior value creation for all its stakeholders. It continuously focuses on sustainable returns, through an appropriate capital strategy for both medium term and longer term value creation.

In terms of Regulation 43A of the Listing Regulations, your Company being one of the top five hundred listed Company (based on market capitalisation) has formulated and adopted a progressive and dynamic Dividend Distribution Policy, ensuring the immediate as well as long term needs of the business. The same has been appended as Annexure '6' to this Report and is also available on the Company's website at: <https://www.centuryply.com/codes-policies/CPII-Dividend-Distribution-Policy.pdf>.

The objective of this Policy is to establish the parameters to be considered by the Board of Directors of the Company before declaring or recommending dividend. The Policy acts as a guiding tool for the Board of Directors in arriving at a decision whether to distribute or retain its profits, in the best interest of the shareholders. Through this policy, the Company aims to maintain a consistent approach to dividend pay-out plans. The Policy lays down the principles and criteria to be considered by the Company while ascertaining the amount of dividend to be declared whilst maintaining a balance between the payout ratio and retained earnings, in order to address future needs of the Company. The intent of the Policy is to broadly specify the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend and how the retained earnings shall be utilized, etc.

POLICY FOR DETERMINING MATERIALITY OF EVENTS/ INFORMATION

In line with requirements under Regulation 30 of the Listing Regulations, the Company has framed a Policy for determination of materiality of events/ information, duly approved by the Board of Directors and the same is available on the Company's website at <https://www.centuryply.com/codes-policies/CPII's-Policy-for-Determination-of-Materiality.pdf>. The Policy endeavours to promote transparency and ensures that the stakeholders are informed regarding the major and material events of the Company. The objective of this policy is to have uniform disclosure practices and ensure timely, adequate and accurate disclosure of information on an ongoing basis.

OTHER POLICIES

Policy on Materiality of and dealing with Related Party Transactions, Policy for Preservation of Documents, Archival Policy and Anti-Bribery and Anti-Corruption Policy are some of the other policies formulated and adopted by the Board pursuant to the requirement of Listing Regulations. These policies may be accessed on the Company's website www.centuryply.com.

CODE OF CONDUCT

In compliance with the provisions of Regulation 17(5) of the Listing Regulations, your Company has in place a 'Code of Conduct for Directors and Senior Management Personnel', incorporating therein the duties of Directors as laid down in the Companies Act, 2013. It reflects the Company's underlying ethical values and commitment to lay standards of integrity, transparency, fairness, accountability and pursuit for excellence. The Code intends to enhance integrity, ethics & transparency in governance of the Company, and thereby reinforce the trust and confidence reposed in the Management of the Company by the shareholders and other stakeholder. The Code has been displayed on the Company's website www.centuryply.com and details thereof has also been included in the Corporate Governance Report forming part of the Annual Report.

The Board of Directors and Senior Management of the Company have affirmed compliance with the Code.

CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY DESIGNATED PERSONS AND CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

As per the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, your Company has adopted a 'Code of Conduct to regulate, monitor and report trading by Designated Persons'. This Code is applicable to all the Promoters, Directors and such other persons defined as designated persons and to their immediate relatives as well.

The key object of the Code is to promote transparency and fairness in dealings of in the securities of the Company and in furtherance thereof, the code lays down guidelines, which advise on procedures to be followed and disclosures to be made, while dealing in shares of the Company and cautions on the consequences of non-compliances. The Code prohibits and deters the Directors of the Company and other specified employees and their relatives from dealing in the securities of the Company on the basis of any unpublished price sensitive information available to them by virtue of their position in the Company. The Code is available on the website of the Company www.centuryply.com. The Company Secretary of the Company acts as the Compliance Officer for the purpose of the aforesaid Code to inter-alia, monitor the adherence of PIT Regulations.

Your Company has adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. This Code lays down principles and practices to be followed by the Company with respect to adequate and timely disclosure of unpublished price sensitive information.

The Designated Persons of the Company have provided annual disclosure of their shareholding & other information in the format prescribed in the Code.

CORPORATE SOCIAL RESPONSIBILITY

Your Company is known for its tradition of philanthropy and community service. Your Company has been taking several initiatives under Corporate Social Responsibility ('CSR') for society at large, well before it was prescribed through the Companies Act, 2013. The Company has always earmarked a part of its income for carrying out its social responsibilities. Your Company believes that social responsibility is not just a corporate obligation that has to be carried out but it is more of a social and moral obligation.

Your Company's CSR initiative aims at addressing social, environmental and economic needs of the marginalised/ underprivileged sections of the society. In compliance with Section 135 of the Companies Act, 2013 read with Schedule VII thereof, the Company has undertaken CSR activities, projects and programs as provided in its CSR policy, primarily in the field of education, healthcare, environment sustainability and securing sustainable livelihoods, while also pursuing CSR activities for the benefit of the local community in the States in which it operates.

During the year, the total CSR expenditure incurred by your Company was ₹4.45 crore which was higher than that statutorily required to be spent.

Composition of CSR Committee of your Company, attendance at the said Meeting, terms of reference of the CSR Committee and other relevant details has been provided in the Corporate Governance Report forming part of the Annual Report. The CSR Committee has confirmed that the implementation and monitoring of CSR Policy is in conformity with CSR objectives and policy of the Company and in compliance with Section 135 of the Companies Act, 2013.

Your Company's Policy on Corporate Social Responsibility can be accessed on the Company's website at <https://www.centuryply.com/codes-policies/Policy-on-Corporate-Social-Responsibility.pdf>. In terms of the requirements of Companies (Corporate Social Responsibility Policy) Rules, 2014, the Annual Report on CSR and the initiatives undertaken by the Company on CSR activities during the Financial Year 2019-20, is appended hereto as Annexure '7' to this Report.

BUSINESS RESPONSIBILITY

The Company being one of the top 1000 companies in the Country in terms of market capitalization, has drawn up its Business Responsibility Report as required under Regulation 34(2)(f) of the Listing Regulations. The Report is appended as Annexure '8' to this Annual Report, mapping the sustainability performance of your Company against the reporting framework suggested by SEBI. The Report describes the initiatives taken by the Company from an environmental, social and governance perspective to enable Members to take well-informed decisions and to have a better understanding of the Company's long term perspective. The Report also touches upon aspects such as Organisation's strategy, governance framework, performance and prospects of value creation for its stakeholders.

At Centuryply, we are committed to enhance value for its stakeholders together with economic and social well-being of the society and minimising the direct and indirect adverse impact of its operations on the environment. Your Company, as a responsible corporate citizen, recognizes that ethical conduct in all its functions and processes is the cornerstone of a responsible business. Accordingly, your Company has adopted various Codes and Policies to discharge its social, environmental and economic responsibilities.

The Business Responsibility Policy adopted by your Company focuses on developing and integrating a detailed sustainability vision into its long-term strategic plan in a way that creates lasting value for its stakeholders whilst also building public trust. This is premised on striking a proper balance between economic, social and environmental performance in dealings with various stakeholders, thereby ensuring sustainable development for the Company.

MISCELLANEOUS ANNUAL RETURN

An extract of Annual Return as on the Financial Year ended 31st March, 2020 in Form No. MGT-9 as required under Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is set out as Annexure-'9' to the Board's Report.

Further, in terms of Section 134(3)(a) of the Companies Act, 2013, the Annual Return of the Company has been placed on the Company's website and can be accessed at <https://www.centuryply.com/investor-information/cpil-annual-return/MGT-7.pdf>.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS / COURTS / TRIBUNALS

During the year under review, there were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and future operations of your Company. .

COMPLIANCE WITH SECRETARIAL STANDARDS AND INDIAN ACCOUNTING STANDARDS

The Board of Directors affirms that during the Financial Year 2019-20, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013. 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.

CREDIT RATING

During the year under review, ICRA Limited has reaffirmed [ICRA] A1+ (pronounced ICRA A one plus) rating for the Company in respect of short term credit facilities. The rating of A1+ indicates very strong degree of safety regarding timely payment of financial obligations and carries the lowest credit risk.

The long term credit rating of the Company was affirmed/ assigned as "AA-" (pronounced ICRA double A minus). The rating of AA indicates high degree of safety regarding timely servicing of financial obligations and very low credit risk. The outlook on the long-term rating has been revised from Stable to Positive. A 'Positive' outlook indicates an expected upgrade in the credit ratings in the medium term on account of expected positive impact on the credit risk profile of the entity in the medium term.

ICRA has also reaffirmed [ICRA] A1+ (pronounced ICRA A one plus) rating for Commercial Paper (CP) programme of the Company.

GREEN INITIATIVES IN CORPORATE GOVERNANCE

In furtherance to the "Green Initiative in the Corporate Governance" undertaken by the Ministry of Corporate Affairs, Government of India, allowing paperless compliances by the Companies, your Company is sending notices, Annual Report and other communications through email to Members whose email IDs are registered with the Company/ Depository Participant(s). Members requiring physical copies can send a request to the Company. For Members, who have not yet registered their email addresses, physical copies are sent through permitted mode.

Shareholders who have not yet registered their e-mail addresses are requested to register the same for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the RTA, by sending a letter, duly signed by the first/ sole holder quoting details of Folio number.

HUMAN RESOURCE DEVELOPMENT & INDUSTRIAL RELATIONS

Human resource has always been one of the most valued stakeholders for your Company. The Company is committed towards creating and maintaining an ideal work culture for engaged and capable workforce to deliver for the future. Our people practices have always been centered around employee welfare and wellness, creating an environment of collaboration and connect which has aided us to achieve industrial harmony since beginning of our operations.

The Company continuously invests in training and development to develop people to their maximum potential and to generate leadership. Focus on training and development continued through a combination of functional, technical and behavioural training programs.

During the year, the Company maintained and enjoyed harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of the employees have enabled your Company to remain at the forefront of the Industry.

The Management has been focusing on digitalisation since past

few years. During the year under review, the role of digitalization in providing a rich employee experience has been immense. The Company launched and moved to 'Adrenalin', a cloud-based HR portal which would facilitate end-to-end HR functioning including payroll and appraisals and with capabilities of being integrated seamlessly with the Company's present ERP system and accessibility through mobile application. The Company's intranet portal 'centurion' continues to serve as an interactive platform, bringing employees together and closer to the management besides keeping them informed of the happenings in the Company.

The Company aims to offer modern employment conditions that ensure healthy long-term employability and are responsive to the needs of both current and future employees. Your Company has been proactive in providing its work-force with a right mix of challenges and opportunities, learning platforms and leading positions, safe workplace and egalitarian work culture along with professional growth and personal development. Long-service award are being organised to recognize the loyalty and commitment of employees. Performance recognition through initiatives like representation on the Company's monthly merit board, 'Sarvada Sarvottam Ambassadors' and 'Star Centurion' are also being carried out on a regular basis. All these initiatives coupled with quick grievance resolution mechanisms have enabled the Company to create a highly motivated pool of professionals and skilled workforce that share a passion and vision of the Company.

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

In terms of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, information on conservation of energy, technology absorption and foreign exchange earnings and outgo are provided in Annexure '10' hereto and forms a part of this Report.

INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 read with Rules made thereunder, any money transferred to the Unpaid Dividend Account of a Company which remains unpaid/ unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company along with interest accrued (if any) thereon to 'Investors Education & Protection Fund' (IEPF) constituted by the Central Government.

Members are requested to note that dividends for the Financial Year 2012-13 onwards, if remaining unclaimed for 7 years, will be transferred by the Company to IEPF on respective due dates. Shareholders who have not claimed the dividend for this period are requested to lodge their claim with the Company. The Company regularly sends reminder letters through electronic and/or physical means to all those shareholders whose dividend are lying unclaimed for any year/(s) during the last seven years requesting them to claim

their dividend amounts.

Pursuant to Section 124(6) of the Companies Act, 2013, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (‘IEPF Rules’), all shares on which dividend has not been paid or claimed for seven consecutive years or more are required to be transferred to IEPF. Accordingly, as on date, your Company has transferred 77671 shares (on which dividend remained unpaid or claimed for seven consecutive years or more) held by 341 shareholders to the demat account of IEPF authority.

In accordance with the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has also placed on its website www.centuryply.com, the information on dividends which remain unclaimed with the Company as on 4th September, 2019, i.e. the date of last Annual General Meeting. The information is also available on the website of the Ministry of Corporate Affairs.

ANNEXURES

ANNEXURES FORMING PART OF THIS REPORT OF THE DIRECTORS

The Annexures referred to in this Report containing information required to be disclosed are annexed as under:

Annexure	Particulars
1	Statement containing salient features of the financial statements of subsidiaries/ associate companies/ joint ventures
2	Details of Loans, Guarantees and Investments
3	Secretarial Audit Report
4	Particulars of Employees and Managerial Remuneration

Annexure	Particulars
5	Remuneration Policy
6	Dividend Distribution Policy
7	Report on Corporate Social Responsibility
8	Business Responsibility Report
9	Extract of Annual Return
10	Particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo

APPRECIATIONS AND ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation for the co-operation and support given to the Company by its customers, vendors, dealers, business associates, consultants, bankers, financial institutions, auditors, solicitors and other stakeholders during the year.

The Directors are also grateful to the diligent efforts made by the Employees at various levels of the organization, without whose unswerving efforts, it would not have been possible to realise new performance milestones and achieve organisational goals.

The Board would also like to thank the Government and concerned Government departments, Securities and Exchange Board of India, BSE Ltd., National Stock Exchange of India Ltd. and other Regulatory bodies for their unstinted support provided to the Company.

The trust and confidence reposed by the customers in the Company and its products is especially cherished. Your Directors also wish to express their profound gratitude to each of the Shareholder for its support extended to the Company from time to time. Your Directors look forward to your continued support.

For and on behalf of the Board of Directors

Sajjan Bhajanka

(DIN: 00246043)

Chairman & Managing Director

Kolkata, 26th June, 2020

Annexure I

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

PART "A" : SUBSIDIARIES

(₹ in Lac)

Sl.	Particulars	Name of Subsidiaries										Step-Down Subsidiaries			
		Auro Sundiram Ply & Door Pvt. Ltd.	Century MDF Ltd.	Ara Suppliers Pvt Ltd	Arham Sales Pvt Ltd	Adonis Vyaper Pvt Ltd	Anapan Vinyog Pvt Ltd	Century Infotech Ltd	Century Panels Ltd.	Century Gabon SUARL	Century Myanmar Pvt Ltd	Century Ply (Singapore) Pte. Ltd.	Century Ply Laos Co. Ltd.	Huesoulin Plywood Lao Co. Ltd.	Asis Plywood Ltd.
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31 st March, 2020	31 st March, 2020	31 st March, 2020	31 st March, 2020	31 st March, 2020	31 st March, 2020	31 st March, 2020	31 st March, 2020	31 st March, 2020	31 st March, 2020	31 st March, 2020	31 st March, 2020	31 st March, 2020	
2	Reporting currency	INR	INR	INR	INR	INR	INR	INR	FCFA	USD	USD	USD	USD	INR	
3	Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	-	-	-	-	-	-	-	0.13	75.32	75.32	75.32	75.32	-	
4	Share Capital	10000	30.00	177.76	177.76	177.76	177.76	499.50	5.00	1608.50	5937.49	7228.19	24.32	419.17	11699
5	Reserves & Surplus	2524.64	(27.99)	(9.88)	(8.69)	(8.90)	(8.83)	(490.37)	-	29.94	(456.40)	(3409.07)	(3163.72)	(3375.05)	(317.58)
6	Total Assets	5515.15	2.13	168.05	169.25	169.06	169.11	41.38	5.66	1,675.86	6327.4	4263.51	922.51	1299.99	96.61
7	Total Liabilities	5515.15	2.13	168.05	169.25	169.06	169.11	41.38	5.66	1,675.86	6327.4	4263.51	922.51	1299.99	96.61
8	"Investments# (except investments in subsidiaries)"	-	-	152.54	152.54	152.54	152.54	-	-	-	-	-	-	-	-
9	Turnover	9470.89	-	-	-	-	-	5.39	-	-	5745.96	-	-	1.85	-
10	Profit before Tax	76.59	(27.72)	(0.32)	(0.22)	(0.28)	(0.28)	(42.98)	-	-	(983.22)	(4947.18)	(2902.69)	(3136.78)	3656.09
11	Provision for Tax	40.47	-	-	-	-	-	(0.10)	-	-	-	(85.88)	-	-	-
12	Profit / (Loss) after Tax	36.12	(27.72)	(0.32)	(0.22)	(0.28)	(0.27)	(42.88)	-	-	(983.22)	(4861.30)	(2902.69)	(3136.78)	3656.09
13	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Percentage of Shareholding	51.00	100.00	80.00	80.00	80.00	80.00	60.06	100.00	100.00	100.00	90.60	90.00	51.00	100.00

Includes investments in property

OTHER INFORMATION

- Names of subsidiaries which are yet to commence operations as on 31st March, 2020 - Century MDF Ltd., Century Panels Ltd. & Century Gabon SUARL
- Names of subsidiaries which have been liquidated or sold during the year - Nil

PART "B" : ASSOCIATES AND JOINT VENTURES

The Company does not have any Associate or Joint Venture.

For and on behalf of the Board of Directors

Sejjan Bhajanka
Chairman & Managing Director
DIN:00246043

Arun Kumar Julasaria
Chief Financial Officer

Sanjay Agarwal
CEO and Managing Director
DIN:00246132

Sundeep Jhunjhunwala
Company Secretary

Kolkata, 26th June, 2020

Annexure -2

DETAILS OF LOANS, GUARANTEES AND INVESTMENTS MADE DURING THE YEAR ENDED 31ST MARCH, 2020

₹ in Lac

Name of the entity	Relation	Amount	Particulars of Loans, Guarantees and Investments	Purpose for which the Loan, Guarantee and Investment are proposed to be utilised
Century Gabon SUARL [@]	Subsidiary	1,608.54	129267.5817 Equity shares allotted	Business purpose
Centuryply Myanmar Pvt. Ltd. [@]	Subsidiary	998.49	17,180 Equity shares allotted	Business purpose
Century Ply (Singapore) Pte. Ltd. ^{^@}	Subsidiary	3,553.59	50,05,000 Equity shares allotted	Business purpose
Watsun Infrabuild Pvt. Ltd. [@]	Other	(12.00)	1,20,000 Equity shares sold	–
Fine Wood Products Pvt Ltd. [†]	Other	(80.00)	Loan received back	–
Good View Agencies Pvt. Ltd. ^{##}	Other	80.00	Loan given at market rates	Business purpose
Auro Sundram International Pvt. Ltd. [*]	Other	1,300.00	Loan given at market rates and received back	Business purpose
Precise Capital Markets [*]	Other	50.00	Loan given at market rates and received back	Business purpose
Channel Financing to Dealers & Distributors	Other	830.07	Guarantee	Channel Financing
Mutual Fund [§]	Other	9,535.14	Investments	Cash Management

(The loanees have not made any investments in the shares of the Company)

@ For more details on investments, refer note no. 4 of the financial statements

Maximum amount due at any point of time during the year-₹1 Crore; Year end balance: ₹20 Lac.

Maximum amount due at any point of time during the year and year end balance: ₹80 Lac.

* Maximum amount due at any point of time during the year; Year end balance: NIL

^ During the year, investments in Century Ply (Singapore) were impaired to the extent of ₹4563.27 Lac.

§ Maximum amount invested during the year: Year end balance: Nil

For and on behalf of the Board of Directors

Sajjan Bhajanka

(DIN: 00246043)

Chairman and Managing Director

Kolkata, 26th June, 2020

Annexure 3

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

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

To

**The Members,
CENTURY PLYBOARDS (INDIA) LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CENTURY PLYBOARDS (INDIA) LIMITED** (hereinafter called "the Company"). 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.

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period for the financial year ended on 31st March, 2020, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020, to the extent applicable, according to the provisions of:

- i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;
- iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;
- iv) The 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;
- v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:
 - a) The Securities & Exchange Board of India (Substantial

Acquisition of Shares and Takeover) Regulations, 2011;

- b) The Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations 2015;
- c) The Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- e) The Securities & Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008;
- f) The Securities & Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- g) The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- h) The Securities & Exchange Board of India (Buyback of Securities) Regulations, 2018;
- i) The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- 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 Indian Forest Act, 1927;
 - b) The Water (Prevention and Control of Pollution) Act, 1974;
 - c) The Air (Prevention and Control of Pollution) Act, 1981;
 - d) The West Bengal Forest (Establishment And Regulation of Saw-Mills and other Wood-based Industries) Rules, 1982;
 - e) The Environment (Protection) Act, 1986 and rules there under;
 - f) The Petroleum Act, 1934 and the Petroleum Rules, 2002;
 - g) The Legal Metrology Act, 2009 and rules there under;
 - h) The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016;
 - i) The Insecticides Act, 1968 and the Insecticides Rules, 1971.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the

provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

We further report that 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.

We further report that during the audit period

- (a) Sri Vijay Chibber, Sri Sunil Mitra and Sri Debanjan Mandal have been re-appointed as an Independent Directors;
- (b) Sri Amit Kiran Deb has been appointed as a Director of the Company in the Independent category with effect from 1st April, 2020 for a term up to 30th September, 2023;
- (c) the Company has incorporated a wholly owned Subsidiary by the name Century Panels Limited at Kolkata on February 19, 2020.

This report is to be read with our letter of even date which is annexed as Annexure – 1 which forms an integral part of this report.

For **MKB & Associates**
Company Secretaries

Manoj Kumar Banthia
(Partner)

ACS no. 11470

COP no. 7596

FRN: P2010WB042700

UDIN: A011470B000384689

Date: 26.06.2020

Place: Kolkata

ANNEXURE – 1

To
**The Members,
Century Plyboards (India) Limited**

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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 secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other

applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of 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.

Note: There was lockdown declared by the Central Government in the country due to COVID-19 pandemic since 24th March 2020. During the Lockdown, for carrying on and completion of the Audit, documents /details have been provided by the Company through electronic mode only and the same have been verified by us.

For **MKB & Associates**
Company Secretaries

Manoj Kumar Banthia
(Partner)

ACS no. 11470

COP no. 7596

FRN: P2010WB042700

UDIN: A011470B000384689

Date: 26.06.2020

Place: Kolkata

Annexure 4

PARTICULARS OF EMPLOYEES

Information required under Section 197 of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name	Designation	Qualification	Nature of Employment	Nature of duties	Age (Years)	Date of Joining	Experience (Years)	Remuneration received (₹)	Previous Employment	Designation at Previous Employment	Relationship with Director/Manager
Employed throughout the financial year											
Sri Martin Alexander Cameron	Head-Production & Quality	Diploma-Wood Panel Mfg. & Science	Permanent	MDF-Production & Quality control	55	1-Nov-18	36	3,83,40,000	Advance Fiber Limited Thailand	Production Head	None
Sri Ajay Baldawa	Executive Director	B.E. Engg., M.Tech.	Contractual	Production; Project implementation	63	23-Feb-94	38	2,40,00,000	Sarda Plywood Industries Ltd.	General Manager	None
Sri Arun Kumar Julasaria	Chief Financial Officer	B.Com. FCA, FCS	Permanent	Finance, Taxation, Accounts	58	5-Aug-04	35	1,45,66,888	Mani Group	Finance Head	None
Sri Sajjan Bhajanka	Chairman & Managing Director	Commerce Graduate	Contractual	Management, administration & finance	68	5-Feb-86	41	1,20,00,000	None	N.A.	Father of Sri Keshav Bhajanka
Sri Sanjay Agarwal	CEO & Managing Director	Commerce Graduate	Contractual	Marketing & sales promotion	59	5-Jan-82	33	1,20,00,000	None	N.A.	Father of Smt. Nikita Bansal
Sri Vishnu Khemani	Managing Director	Science Graduate	Contractual	Management & administration	68	16-Apr-08	42	1,20,00,000	Sharon Veneers Pvt. Ltd.	Managing Director	None
Sri Prem Kumar Bhajanka	Managing Director	Commerce Graduate	Contractual	Management & administration	62	16-Apr-08	40	1,20,00,000	Century Panels Pvt. Ltd.	Managing Director	None
Sri Shankho Chowdhury	Executive LOB Head-Decoratives	B.A. Honours	Permanent	Sales & Marketing	59	1-Aug-13	31	1,06,07,700	Consultancy K	Director	None
Sri Ashutosh Jaiswal	President - IB Division & Logistics	B. Sc.	Permanent	Overall Management	61	1-Jun-94	41	1,05,00,012	M/S Dutta Exports	Export Executive	None
Sri Navarun Sen	Executive LOB Head-Panel	PGDM	Permanent	Sales & Marketing	53	1-Nov-13	29	94,89,468	UNINOR	Circle Business Head	None
Employed for a part of the financial year											
Sri Himanshu J Shah	President - MDF & New Business	B.Com. (Hons.); FCA	Permanent	Business Head	60	1-Aug-18	34	1,08,00,000	Bajaj Eco-Tec Products Ltd.	President	None

PARTICULARS OF MANAGERIAL REMUNERATION

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

Sl. No.	Requirements of Rule 5(1)	Details																																										
(i)	the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	<table border="1"> <thead> <tr> <th style="text-align: left;">: Executive Directors</th> <th style="text-align: right;">Ratio</th> </tr> </thead> <tbody> <tr><td>Sri Sajjan Bhajanka</td><td style="text-align: right;">51.01 : 1</td></tr> <tr><td>Sri Hari Prasad Agarwal</td><td style="text-align: right;">25.50 : 1</td></tr> <tr><td>Sri Sanjay Agarwal</td><td style="text-align: right;">51.01 : 1</td></tr> <tr><td>Sri Prem Kumar Bhajanka</td><td style="text-align: right;">51.01 : 1</td></tr> <tr><td>Sri Vishnu Khemani</td><td style="text-align: right;">51.01 : 1</td></tr> <tr><td>Sri Keshav Bhajanka</td><td style="text-align: right;">21.25 : 1</td></tr> <tr><td>Sri Ajay Baldawa</td><td style="text-align: right;">102.02 : 1</td></tr> <tr><td>Smt. Nikita Bansal</td><td style="text-align: right;">10.20 : 1</td></tr> <tr> <th style="text-align: left;">: Non-Executive Independent Directors</th> <th style="text-align: right;">Ratio</th> </tr> <tr><td>Sri Mangi Lal Jain</td><td style="text-align: right;">1.70 : 1</td></tr> <tr><td>Sri Santanu Ray</td><td style="text-align: right;">1.70 : 1</td></tr> <tr><td>Smt. Mamta Binani</td><td style="text-align: right;">1.70 : 1</td></tr> <tr><td>Sri J. P. Dua</td><td style="text-align: right;">1.70 : 1</td></tr> <tr><td>Sri Vijay Chhibber</td><td style="text-align: right;">1.70 : 1</td></tr> <tr><td>Sri Debanjan Mandal</td><td style="text-align: right;">1.70 : 1</td></tr> <tr><td>Sri Sunil Mitra</td><td style="text-align: right;">1.70 : 1</td></tr> <tr><td>Sri Probir Roy</td><td style="text-align: right;">1.70 : 1</td></tr> </tbody> </table>	: Executive Directors	Ratio	Sri Sajjan Bhajanka	51.01 : 1	Sri Hari Prasad Agarwal	25.50 : 1	Sri Sanjay Agarwal	51.01 : 1	Sri Prem Kumar Bhajanka	51.01 : 1	Sri Vishnu Khemani	51.01 : 1	Sri Keshav Bhajanka	21.25 : 1	Sri Ajay Baldawa	102.02 : 1	Smt. Nikita Bansal	10.20 : 1	: Non-Executive Independent Directors	Ratio	Sri Mangi Lal Jain	1.70 : 1	Sri Santanu Ray	1.70 : 1	Smt. Mamta Binani	1.70 : 1	Sri J. P. Dua	1.70 : 1	Sri Vijay Chhibber	1.70 : 1	Sri Debanjan Mandal	1.70 : 1	Sri Sunil Mitra	1.70 : 1	Sri Probir Roy	1.70 : 1						
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(ii)	the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	<table border="1"> <thead> <tr> <th style="text-align: left;">: Executive Directors</th> <th style="text-align: right;">Percentage Increase</th> </tr> </thead> <tbody> <tr><td>Sri Sajjan Bhajanka</td><td style="text-align: right;">Nil</td></tr> <tr><td>Sri Hari Prasad Agarwal</td><td style="text-align: right;">Nil</td></tr> <tr><td>Sri Sanjay Agarwal</td><td style="text-align: right;">Nil</td></tr> <tr><td>Sri Prem Kumar Bhajanka</td><td style="text-align: right;">Nil</td></tr> <tr><td>Sri Vishnu Khemani</td><td style="text-align: right;">Nil</td></tr> <tr><td>Sri Keshav Bhajanka</td><td style="text-align: right;">Nil</td></tr> <tr><td>Sri Ajay Baldawa</td><td style="text-align: right;">Nil</td></tr> <tr><td>Smt. Nikita Bansal</td><td style="text-align: right;">Nil</td></tr> <tr> <th style="text-align: left;">: Non-Executive Independent Directors</th> <th style="text-align: right;">Percentage Increase</th> </tr> <tr><td>Sri Mangi Lal Jain</td><td style="text-align: right;">Nil</td></tr> <tr><td>Sri Santanu Ray</td><td style="text-align: right;">Nil</td></tr> <tr><td>Smt. Mamta Binani</td><td style="text-align: right;">Nil</td></tr> <tr><td>Sri J. P. Dua</td><td style="text-align: right;">Nil</td></tr> <tr><td>Sri Vijay Chhibber</td><td style="text-align: right;">Nil</td></tr> <tr><td>Sri Debanjan Mandal</td><td style="text-align: right;">Nil</td></tr> <tr><td>Sri Sunil Mitra</td><td style="text-align: right;">Nil</td></tr> <tr><td>Sri Probir Roy *</td><td style="text-align: right;">--</td></tr> <tr> <th style="text-align: left;">: CFO & CS</th> <th style="text-align: right;">Percentage Increase</th> </tr> <tr><td>Sri Arun Kumar Julasaria (CFO)</td><td style="text-align: right;">Nil</td></tr> <tr><td>Sri Sundeep Jhunjhunwala (CS)</td><td style="text-align: right;">11.24</td></tr> </tbody> </table>	: Executive Directors	Percentage Increase	Sri Sajjan Bhajanka	Nil	Sri Hari Prasad Agarwal	Nil	Sri Sanjay Agarwal	Nil	Sri Prem Kumar Bhajanka	Nil	Sri Vishnu Khemani	Nil	Sri Keshav Bhajanka	Nil	Sri Ajay Baldawa	Nil	Smt. Nikita Bansal	Nil	: Non-Executive Independent Directors	Percentage Increase	Sri Mangi Lal Jain	Nil	Sri Santanu Ray	Nil	Smt. Mamta Binani	Nil	Sri J. P. Dua	Nil	Sri Vijay Chhibber	Nil	Sri Debanjan Mandal	Nil	Sri Sunil Mitra	Nil	Sri Probir Roy *	--	: CFO & CS	Percentage Increase	Sri Arun Kumar Julasaria (CFO)	Nil	Sri Sundeep Jhunjhunwala (CS)	11.24
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* Comparitive figures for the previous year NIL.

Sl. No.	Requirements of Rule 5(1)	Details
(iii)	the percentage increase in the median remuneration of employees in the financial year	: 13.08%
(iv)	the number of permanent employees on the rolls of company (as on 31 st March, 2020)	: 6704
(v)	average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	: Average percentile increase in salary of non-managerial employees 9 Average percentile increase in salary of managerial employees 1 The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time. The average increase is also an outcome of the Company's performance and its market competitiveness as against its peer group companies.
(vi)	affirmation that the remuneration is as per the remuneration policy of the company	: Remuneration paid during the year ended 31 st March, 2020 is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Sajjan Bhajanka
(DIN: 00246043)

Chairman and Managing Director

Kolkata, 26th June, 2020

Annexure 5

REMUNERATION POLICY

1. PREAMBLE

- 1.1 The remuneration policy provides a framework for remuneration paid to the members of the Board of Directors ("Board"), Key Managerial Personnel ("KMP") and the Senior Management Personnel ("SMP") of the Company (collectively referred to as "Executives"). The expression "senior management" shall mean officers/ personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/ whole time director/manager (including chief executive officer/ manager, in case they are not part of the Board) and shall specifically include company secretary and chief financial officer.
- 1.2 The policy will be reviewed every year by the Nomination and Remuneration Committee of the Board of Directors.

2. AIMS & OBJECTIVES

- 2.1 The aims and objectives of this remuneration policy may be summarized as follows:
- 2.1.1 The remuneration policy aims to enable the company to attract, retain and motivate highly qualified members for the Board and other executive level and to ensure their long term sustainability.
- 2.1.2 The remuneration policy seeks to enable the company to provide a well-balanced and performance-related compensation package, taking into account shareholder interests, industry standards and relevant Indian corporate regulations.
- 2.1.3 The remuneration policy will ensure that the interests of Board members & senior executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the company and will be consistent with the "pay-for-performance" principle.
- 2.1.4 The remuneration policy will ensure that remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

3. PRINCIPLES OF REMUNERATION

- 3.1 Support for Strategic Objectives: Remuneration and reward frameworks and decisions shall be developed in a manner that is consistent with, supports and reinforces the achievement of the Company's vision and strategy.
- 3.2 Transparency: The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.

- 3.3 Internal equity: The Company shall remunerate the board members, KMP and senior management in terms of their roles within the organisation. Positions shall be formally evaluated to determine their relative weight in relation to other positions within the Company.
- 3.4 External equity: The Company strives to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Therefore the Company will remain logically mindful of the ongoing need to attract and retain high quality people, and the influence of external remuneration pressures. Reference to external market norms will be made using appropriate market sources, including relevant and comparative survey data, as determined to have meaning to the Company's remuneration practices at that time.
- 3.5 Flexibility: Remuneration and reward offerings shall be sufficiently flexible to meet both the needs of individuals and those of the Company whilst complying with relevant tax and other legislation.
- 3.6 Performance-Driven Remuneration: The Company shall entrench a culture of performance driven remuneration through the implementation of the Performance Incentive System.
- 3.7 Affordability and Sustainability: The Company shall ensure that remuneration is affordable on a sustainable basis.

4. NOMINATION AND REMUNERATION COMMITTEE

- 4.1 Members of the Committee shall be appointed by the Board and shall comprise of three or more non-executive directors out of which not less than one-half shall be independent directors.
- 4.2 The Committee shall be responsible for
- 4.2.1 formulating framework and/or policy for remuneration, terms of employment and any changes, including service contracts, remuneration, policy for and scope of pension arrangements, etc. for Executives and reviewing it on a periodic basis;
- 4.2.2 formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- 4.2.3 identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down in this policy, recommend to the Board their appointment and removal;
- 4.2.4 formulating terms for cessation of employment and ensure

that any payments made are fair to the individual and the company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;

- 4.2.5 recommending to the Board, all remuneration, in whatever form, payable to senior management;
 - 4.2.6 recommending whether or not to extend or continue the term of appointment of the Independent Directors, on the basis of the report of performance evaluation of Independent Directors;
 - 4.2.7 devising a policy on Board diversity
- 4.3 The Committee shall:
- 4.3.1 review the ongoing appropriateness and relevance of the remuneration policy;
 - 4.3.2 ensure that all provisions regarding disclosure of remuneration, including pensions, are fulfilled;
 - 4.3.3 obtain reliable, up-to-date information about remuneration in other companies;
 - 4.3.4 ensure that no director or executive is involved in any decisions as to their own remuneration.
- 4.4 Without prejudice to the generality of the terms of reference to the Remuneration Committee set out above, the Remuneration Committee shall:
- 4.4.1 operate the Company's share option schemes (if any) or other incentives schemes (if any) as they apply to. It shall recommend to the Board the total aggregate amount of any grants to employees (with the specific grants to individuals to be at the discretion of the Board) and make amendments to the terms of such schemes (subject to the provisions of the schemes relating to amendment);
 - 4.4.2 liaise with the trustee / custodian of any employee share scheme which is created by the Company for the benefit of employees or Directors; and
 - 4.4.3 review the terms of executive Directors' service contracts from time to time.

5. PROCEDURE FOR SELECTION AND APPOINTMENT OF THE BOARD MEMBERS

5.1 Board membership criteria

- 5.1.1. The Committee, along with the Board, reviews on an annual basis, appropriate skills, characteristics and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's global operations
- 5.1.2. In evaluating the suitability of individual Board members, the Committee takes into account many factors, including general understanding of the Company's business dynamics, global business and social perspective, educational and professional background and personal

achievements. Directors must possess experience at policy-making and operational levels in large organizations with significant international activities that will indicate their ability to make meaningful contributions to the Board's discussion and decision-making in the array of complex issues facing the Company.

- 5.1.3. Director should possess the highest personal and professional ethics, integrity and values. They should be able to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions, rather than advancing the interests of a particular constituency.
- 5.1.4. In addition, Directors must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust.
- 5.1.5. The Committee evaluates each individual with the objective of having a group that best enables the success of the Company's business..

5.2 Selection of Board Members/ extending invitation to a potential director to join the Board

- 5.2.1. One of the roles of the Committee is to periodically identify competency gaps in the Board, evaluate potential candidates as per the criteria laid above, ascertain their availability and make suitable recommendations to the Board. The objective is to ensure that the Company's Board is appropriate at all points of time to be able to take decisions commensurate with the size and scale of operations of the Company. The Committee also identifies suitable candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board member. Based on the recommendations of the Committee, the Board evaluates the candidate(s) and decides on the selection of the appropriate member.
- 5.2.2. The Board then makes an invitation (verbal / written) to the new member to join the Board as a Director. On acceptance of the same, the new Director is appointed by the Board

6. PROCEDURE FOR SELECTION AND APPOINTMENT OF EXECUTIVES OTHER THAN BOARD MEMBERS

- 6.1 The Committee shall actively liaise with the relevant departments of the Company to study the requirement for management personnel, and produce a written document thereon;
- 6.2 The Committee may conduct a wide-ranging search for candidates for the positions of KMP and SMP within the Company, within enterprises controlled by the Company or within enterprises in which the Company holds equity, and on the human resources market;

- 6.3 The professional, academic qualifications, professional titles, detailed work experience and all concurrently held positions of the initial candidates shall be compiled as a written document;
- 6.4 A meeting of the Committee shall be convened, and the qualifications of the initial candidates shall be examined on the basis of the conditions for appointment of KMP and SMP;
- 6.5 Before the selection of KMP or SMP, the recommendations of and relevant information on the relevant candidate(s) shall be submitted to the Board of Directors;
- 6.6 The Committee shall carry out other follow-up tasks based on the decisions of and feedback from the Board of Directors.

7. COMPENSATION STRUCTURE

7.1 Remuneration to Non-Executive Directors:

The Non-executive Directors of the Company are paid remuneration by way of sitting fees only for attending the meetings of the Board of Directors and its Committees. The said sitting fees paid to the Non-executive Directors for the Board Meetings and Committee meetings are fixed by the Board and reviewed from time to time in accordance with applicable law. The Non-executive Directors shall also be paid such commission as the Board may approve from time to time subject to the limits prescribed in the Act or Rules made thereunder and approved by the shareholders.

7.2 Remuneration to Executive Directors, Key Managerial Personnel(s) (KMPs) & Senior Management Personnel(s) (SMPs):

The Company has a credible and transparent framework in determining and accounting for the remuneration of the Managing Director / Whole Time Directors (MD/WTDs), Key Managerial Personnel(s) (KMPs) and Senior Management Personnel(s) (SMPs). Their remuneration are governed by the external competitive environment, track record, potential, individual performance and performance of the company as well as industry standards.

The remuneration determined for MD/WTDs are approved by the Board of Directors and members at the next general meeting of the Company and by the Central Government in case such appointment is at variance to the conditions specified in Schedule V of the Companies Act, 2013. As a policy, the Executive Directors are not paid sitting fee.

In addition to the basic/fixed salary, benefits, perquisites and allowances, the Company may provide for payment to its MDs/WTDs, such remuneration by way of commission, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Companies Act, 2013. The specific amount payable to the MDs/WTDs would be based on performance as evaluated by the Board or any Committee thereof.

8. ROLE OF INDEPENDENT DIRECTORS

- 8.1 The Committee shall, in consultation with the Independent Directors of the Company, prepare and submit this policy to the Board for its approval
- 8.2 The Independent Directors shall have power and authority to determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management.
- 8.3 The Independent Directors shall submit its recommendations/ proposals/ decisions to the Committee which the Committee shall consult and take to the Board of Directors.

9. APPROVAL AND PUBLICATION

- 9.1 This remuneration policy as framed by the Committee shall be recommended to the Board of Directors for its approval.
- 9.2 This policy shall be placed on the Company's website.
- 9.3 Necessary disclosures in respect of the policy shall be made in the Directors Report in the manner stated in the Companies Act, 2013 or any other statute.

10. SUPPLEMENTARY PROVISIONS

- 10.1 This Policy shall formally be implemented from the date on which they are adopted pursuant to a resolution of the Board of Directors.
- 10.2 Any matters not provided for in this Policy shall be handled in accordance with relevant State laws and regulations and the Company's Articles of Association. If this Policy conflict with any laws or regulations subsequently promulgated by the state or with the Company's Articles of Association as amended pursuant to lawful procedure, the relevant state laws and regulations and the Company's Articles of Association shall prevail, and this Policy shall be amended in a timely manner and submitted to the Board of Directors for review and adoption.
- 10.3 The right to interpret this Policy vests in the Board of Directors of the Company.

11. AMENDMENT:

Any change in the Policy shall be approved by the Board of Directors or any of its Committees (as may be authorized by the Board of Directors in this regard). The Board of Directors or any of its authorized Committees shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board or its Committee in this respect shall be final and binding. Any subsequent amendment / modification in the Listing Regulations and / or any other laws in this regard shall automatically apply to this Policy.

12. EFFECTIVE DATE:

This Policy is effective from 1st April, 2019.

Annexure 6

DIVIDEND DISTRIBUTION POLICY

PREAMBLE

The shares of Century Plyboards (India) Limited ('the Company') are presently listed on The National Stock Exchange of India Ltd. (NSE) and BSE Ltd. (BSE). Securities Exchange Board of India (SEBI) vide its Notification No. SEBI/LAD-NRO/GN/2016-17/008 dated July 08, 2016, inserted Regulation 43A in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') mandating the formulation of a Dividend Distribution Policy for the top 500 listed entities based on their market capitalisation calculated on March 31 of every financial year. In compliance with the said Regulation, the Company is required to frame a Dividend Distribution Policy ('the/this Policy') which would aid investors in identifying stocks that match their investment objectives.

EFFECTIVE DATE

This Policy is effective from the date of its adoption by the Board on 1st November, 2016.

INTENT AND OBJECTIVE

The intent of the policy is to broadly specify the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend, etc.

The objective of the Dividend Distribution Policy of the Company is to reward its shareholders by sharing a portion of the profits, whilst also ensuring that sufficient funds are retained for growth of the Company. This policy aims to ensure a regular dividend income for the shareholders and long term capital appreciation for all stakeholders of the Company.

The Company would ensure to strike the right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes. The Board of Directors will refer to the policy while declaring/ recommending dividends on behalf of the Company.

Through this policy, the Company would endeavour to maintain a consistent approach to dividend pay-out plans. This Policy will also regulate the process of dividend declaration and its pay-out by the Company in accordance with the provisions Contained in Companies Act, 2013 read with the applicable Rules framed thereunder, as may be in force for the time being. This Policy intends to act as a guiding tool to the Board for taking decision whether to distribute or to retain its profits, in the best interest of the stakeholders. It should not be construed as an alternative to the decision making process of the Board, which is based on careful consideration of several factors and circumstances. This Policy endeavours for fairness, consistency and sustainability while distributing profits to the shareholders.

CATEGORIES OF DIVIDEND AND PROCESS FOR APPROVAL

The Companies Act provides for two Types of Dividend namely Interim dividend and Final Dividend. The Board of Directors shall have the absolute power to declare interim dividend during the financial year, as and when they consider it fit. The Board of Directors shall have the power to recommend final dividend to the shareholders for their approval in the general meeting of the Company.

FINAL DIVIDEND

The Final dividend is paid once for the financial year after the annual accounts are prepared. The Board of Directors of the Company has the power to recommend the payment of Final Dividend to the shareholders in a general meeting. The declaration of Final dividend shall be included in the ordinary business items that are required to be transacted at the Annual General Meeting.

PROCESS FOR APPROVAL OF PAYMENT OF FINAL DIVIDEND:

- Board shall recommend quantum of final dividend payable to shareholders in its meeting in line with this Policy based on the profits arrived at as per the audited financial statements
- Dividend as recommended by the Board shall be approved/ declared at the annual general meeting of the Company.
- Payment of dividend to the eligible shareholders shall be made within 30 days from the date of declaration or within such time as may be prescribed under applicable law.

INTERIM DIVIDEND

This form of dividend can be declared by the Board of Directors one or more times in a financial year as may be deemed fit by it. The Board of Directors of the Company would declare an interim dividend, as and when considered appropriate, in line with this policy. Normally, the Board could consider declaring an interim dividend after finalization of quarterly (or half yearly) financial statements. This would be in order to supplement the annual dividend or in exceptional circumstances.

PROCESS FOR APPROVAL OF PAYMENT OF INTERIM DIVIDEND:

- Board may declare Interim Dividend at its complete discretion, one or more times in a financial year in line with this Policy based on profits arrived at as per quarterly (or half- yearly) financial statements including exceptional items.
- Payment of dividend to the eligible shareholders shall be made within 30 days from the date of declaration or within such time as may be prescribed under applicable law.
- Interim dividend paid during the year shall be confirmed in the

annual general meeting, held after the payment of the same.

DIVIDEND GUIDELINE

The Board shall determine the dividend payout in a particular year after taking into consideration the operating and financial performance of the Company, available cash flow, Capex requirements and applicable taxes. Distribution of dividend in kind, i.e. by way of issue of fully or partly paid bonus shares or other securities shall be subject to applicable law.

In the event of inadequacy or absence of profits in any year, the Company may declare dividend out of surplus subject to the fulfilment of conditions specified under the Companies Act, 2013 and rules made thereunder, including any amendment/modifications thereto.

Payment of dividend shall be based on the respective rights attached to each class of shares as per their terms of issue.

Preference Shareholders shall be entitled and paid dividend at the fixed rate as per the terms of issue. In case of the Cumulative Preference Shares, if the Company is not having distributable profits for any certain financial year or the Company is not able to pay the dividend, then this shall be accumulated and be paid later on.

Dividend when declared shall be first paid to the preference shareholders of the Company as per the terms and conditions of their issue.

RELEVANT FACTORS FOR CONSIDERATION WHILE DECLARING DIVIDEND

The decision regarding dividend pay-out is a crucial one as it determines the amount of profit to be distributed among shareholders and amount of profit to be retained by the Company for its business. The Board of Directors will endeavour to take a decision with an objective to enhance shareholders wealth and market value of the shares. However, the decision regarding pay-out is subject to several factors and hence, any optimal policy in this regard may be far from obvious.

The Board shall consider the following factors while deciding the dividend pay-out:

INTERNAL FACTORS:-

a. Profits earned during the year

The profits earned during a financial year is the foremost criteria which impacts dividend pay-out decision.

b. Present & future liquidity requirements of the existing businesses

Availability of adequate operating cash flow is necessary for a business to meet its financial obligations and for running its day-

to-day operations. This may impact the Board's decision to declare dividend or retain its profits.

c. Expansion/Modernization of existing businesses

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

d. Brand/ Business Acquisitions

Acquisition of brands and businesses, increasing expenditure on marketing, advertising and brand building in the long-run will also influence the Board's decision of declaration of dividend.

e. Additional investments in subsidiaries/associates of the Company

The Company operates in various areas through subsidiaries/associates and continuously needs to make investments therein. Capital requirements of these entities for expansion and operations also need to be assessed by the Board.

f. Fresh investments into external businesses

The Company is continuously exploring the possibility of establishing its foot-prints overseas in order to secure availability of resources in the long-run. This may lead to substantial capital requirements and may impact dividend distribution.

g. Cost of borrowings

Cost of funds raised/ to be raised from bankers, lending institutions or through issuance of debt securities vis-à-vis ploughing back of profits also needs to be considered while deciding dividend payment.

h. Obligations towards creditors

The Company needs to maintain adequate liquidity to be able to fulfil its obligations towards its creditors within the agreed time. Considering the volume of such obligations and time period of repayment, the decision of dividend declaration shall be taken.

i. Post dividend EPS

Post dividend EPS tends to have substantial impact on market capitalisation and the same also needs to be considered before declaring dividend.

j. Past dividend pay-out

Track record of dividend pay-out in the past and its trend also tends to impact dividend distribution decision.

EXTERNAL FACTORS:-

Many external factors act as determinants for the amount of dividend proposed to be declared. In such conditions, the Board shall exercise its discretion after due consideration of such factors:

State of Economy

In case of uncertain or recessionary economic and business conditions, whether in the National or International markets, Board will endeavour to retain larger part of profits to have adequate reserves to absorb unforeseen and adverse circumstances.

Capital Markets

When the markets are favourable, dividend pay-out can be liberal. However, in case of unfavourable market conditions, Board may resort to a conservative dividend pay-out in order to conserve cash outflows.

Taxation and Statutory Restrictions

The Board shall consider the tax regulations in respect of Dividend distribution together with restrictions imposed by any statute, including the Companies Act, with regard to declaration of dividend as may be applicable at the time of declaration of dividend. Changes in policies of the Government with respect to dividend may also impact dividend distribution.

CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The Equity Shareholders of the Company may expect dividend only if the Company is having surplus funds after providing all expenses, depreciation, etc. and complying with all other applicable statutory requirements. The decision of dividend payout shall, majorly be based on the factors discussed above considering the balanced interest of the shareholders and the Company.

The shareholders of the Company may not expect dividend under the following circumstances:

- Whenever it undertakes or proposes to undertake a significant expansion project requiring higher allocation of capital;
- Significantly higher working capital requirements adversely impacting free cash flow;
- Whenever it undertakes any acquisitions of business/brand/ company or joint ventures requiring significant allocation of capital.
- Whenever it proposes to utilise surplus cash for buy-back of securities; or
- In the event of inadequacy of profits or whenever the Company has incurred losses.

DIVIDEND RANGE

The Company stands committed to deliver sustainable value to all its stakeholders. The Company will strive to distribute an optimal and appropriate level of the profits earned by it in its business and

investing activity, with the shareholders, in the form of dividend. As explained in the earlier part of this Policy, determining the dividend pay-out is dependent upon several factors, both internal to a business and external to it. Taking into consideration the aforementioned factors, the Board will endeavour to maintain a per-share minimum dividend pay-out at the rate of 100% (excluding applicable tax on dividend distribution) of face value of equity shares of the Company, subject to an aggregate maximum pay-out of 25% (including applicable tax on dividend distribution) of distributable profit for the particular year.

The upper limit of dividend will inter alia depend upon available free cash flow generated during the particular financial year.

As mentioned above, for computing the distributable profits for purposes of determining the Dividend, the Board may at its discretion, subject to provisions of the law, exclude any or all of (i) extraordinary charges (ii) exceptional charges (iii) other Comprehensive Income (iv) one off charges on account of change in law or rules or accounting policies or accounting standards (v) provisions or write offs on account of impairment in investments (long term or short term) (vi) non-cash charges pertaining to amortisation or ESoP or resulting from change in accounting policies or accounting standards. Further, the Board may amend the pay-out range, whenever considered appropriate by it, keeping in mind the aforesaid factors having a bearing on the dividend pay-out decision including declaring a Special Dividend under certain circumstances such as extraordinary profits from sale of investments.

UTILIZATION OF RETAINED EARNINGS

The Company always looks forward to deliver maximum to its shareholders by consistently working towards creating a balance between overall Wealth Maximization and Earnings per share. Thus the retained earnings of Company after declaration of dividend (if any), shall be utilized in the manner as considered appropriate by the Board.

PARAMETERS ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

Since the company has issued only one class of equity shares with equal voting rights, all the members of the company are entitled to the same dividend per share.

REVIEW AND AMENDMENT

This Policy will be reviewed periodically by the Board. Alternatively, the Chairman or the Managing Director of the Company shall be jointly/severally authorised to review and amend the Policy, to give effect to any change/amendment required in terms of any applicable law. Such amended Policy shall be periodically placed before the Board for noting and necessary ratification immediately after such changes.

Annexure- 7

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

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

1.	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	<p>Century Plyboards (India) Ltd. engages in a variety of initiatives with the goal of empowering communities to make an impact in three focus areas of education and skills, health and wellbeing and environmental sustainability. Centuryply has always been conscious of its social responsibilities and the environment in which it operates. The Company has, over the years, contributed substantially for development in the field of health, education, culture and other welfare measures to improve the general standards of living in and around its works. The CSR policy encompasses the Company's philosophy for giving back to society as a corporate citizen. The Company takes up programmes that benefit the communities over a period of time, in enhancing the quality of life & economic well-being of the local populace.</p> <p>CSR activities in the Company are carried out by the Company directly and also by way of contribution / donation to Organizations, Specialized Agencies, Trusts and institutions as may be permitted under the applicable laws from time to time.</p> <p>The Company recognizes education and health-care as the two main building blocks of any nation and considers the same as priority areas for its CSR activities.</p> <p>The CSR Policy of the Company is available on the Company's website under the weblink: https://www.centuryply.com/codes-policies/Policy-on-Corporate-Social-Responsibility.pdf</p>								
2	The Composition of the CSR Committee (as on 31 st March, 2020)	<table border="1"> <tr> <td data-bbox="624 1033 1023 1065">Sri Sajjan Bhajanka</td> <td data-bbox="1038 1033 1447 1065">Chairman</td> </tr> <tr> <td data-bbox="624 1075 1023 1106">Sri Hari Prasad Agarwal</td> <td data-bbox="1038 1075 1447 1106">Member</td> </tr> <tr> <td data-bbox="624 1116 1023 1147">Sri Mangi Lal Jain</td> <td data-bbox="1038 1116 1447 1147">Member</td> </tr> <tr> <td data-bbox="624 1158 1023 1189">Smt. Mamta Binani</td> <td data-bbox="1038 1158 1447 1189">Member</td> </tr> </table> <p>(Composition of the CSR Committee has changed effective from 1st April, 2020)</p>	Sri Sajjan Bhajanka	Chairman	Sri Hari Prasad Agarwal	Member	Sri Mangi Lal Jain	Member	Smt. Mamta Binani	Member
Sri Sajjan Bhajanka	Chairman									
Sri Hari Prasad Agarwal	Member									
Sri Mangi Lal Jain	Member									
Smt. Mamta Binani	Member									
3	Average net profit of the company for last three financial years	₹21929.07 Lac								
4	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	₹438.58 Lac								
5	Details of CSR spent during the financial year									
	(a) Total amount to be spent for the financial year;	(a) ₹438.58 Lac								
	(b) Amount unspent, if any;	(b) Nil (Company has spent ₹444.92 Lac)								
	(c) Manner in which the amount spent during the financial year	(c) As detailed below								

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where Projects or programs was undertaken	Amount Outlay (budget) project or program wise	Amount spent on the projects or programs Sub heads 1.Direct expenditure on Projects or programs 2. Overheads* (₹ in Lac)	Cumulative expenditure up to the reporting period (₹ in Lac)	Amount spent: Direct or through implementing agency
a	Improving literacy among the rural and tribal people in India to achieve economic development by educating and training them and creating awareness about their rights; Providing non-formal primary education through One Teacher; Running of Libraries and providing reading room facilities to general public.	Education	In various parts of India including the North East, Jaipur, Kolkata, Patna, Mumbai, Bangalore and Chennai to name a few.	30-40%	23.56	690.96	Direct and through implementing agencies: Udayan Care; Friends of Tribals Society; Century Ply Vocational Training Centre ; Morning Glory School; Sewing School (Palasbari Paridhan kendra & Manpur); Shree Burrabazar Kumarsabha Pustakalya;Vidyarthi Vikas; Shree Agarwal Navyuvak Trust; Hope Kolkata Foundation
b	Promoting humanitarian principles and values; Disaster response Health and Care in the Community; Running and maintenance of Hospitals, offering medical and surgical services to the ailing, and especially, the underprivileged section of the society; Supporting blood banks, HIV/ AIDS programmes; maternity, child and family welfare, nursing etc.	Preventive Healthcare Protection of life, health and human dignity	In various parts of India including Kolkata, Rajasthan, Delhi, Bhubaneswar, Mumbai, Lucknow, Bengaluru, Hoshiarpur districts of Uttarakhand and Tamil Nadu to name a few.	40% - 50%	140.54	710.14	Direct and through implementing agencies: CanKids; Shree Ram Seva Samity Trust; Institute Of Cerebral Palsy; Help Us Help Them; Kurpai Unnayani Society; Marwari Relief Society; Nagrik Swasthya Sangh; Shree Manav Seva Trust; Purvanchal Kalyan Ashram; Vivekananda Yoga Anusandhana Samstha; Dr Bholanath Chakravarty Memorial Trust; Tata Medical Centre; Ashadeep Welfare Society; Bhukailash Welfare Society; Nature Cure & Yoga Centre
c	Protection and Preservation of art and architecture of India; Restoration of buildings and sites of historic importance	Protection of National Heritage	-	0-2%	Nil	4.00	-

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where Projects or programs was undertaken	Amount Outlay (budget) project or program wise	Amount spent on the projects or programs Sub heads 1.Direct expenditure on Projects or programs 2. Overheads* (₹ in Lac)	Cumulative expenditure up to the reporting period (₹ in Lac)	Amount spent: Direct or through implementing agency
d	Protecting Environment; Maintenance of burning ghats; Animal Welfare	Ensuring Environmental Sustainability & Protection of Animals	In various parts of India including Haryana, Mumbai, Gujarat, Tamil Nadu, Kolkata and Vrindavan to name a few.	5-25%	278.82	565.02	Direct and through implementing agencies: Calcutta Pinjrapole Society; Shanti Van Gopal Gaushala; Shree Aadijin Yuvak Charitable Trust; Central Kolkata Prerna Foundation; Friends of Vrindaban; Ek Onkar Charitable Trust;
e	Providing aid during cyclone and covid-19 pandemic	Disaster Relief	In West Bengal and Chennai	-	2.00	2.00	Direct
	Total				444.92	1972.12	
	* Overheads- Nil						
6	In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report					Not Applicable	
7	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company				The CSR Committee of the Company confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.		

Sanjay Agarwal
 CEO and Managing Director
 Kolkata, 26th June, 2020

Sajjan Bhajanka
 Chairman- CSR Committee

Annexure- 8

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L20101WB1982PLC034435		
2.	Name of the Company	Century Plyboards (India) Ltd. [CPIL]		
3.	Registered Address	P-15/1, Taratala Road, Kolkata- 700 088		
4.	Website	www.centuryply.com		
5.	E-mail ID	investors@centuryply.com		
6.	Financial Year reported	2019-20		
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Sl.	Product	Industrial Activity Code (NIC Code)
		1.	Plywood & Veneer; MDF	1621
		2.	Laminate	1709
		3.	Logistics	5210
8.	Three key products/services that the Company manufactures/ provides	<ul style="list-style-type: none"> • Plywood • Laminates • Container Freight Station Services 		
9.	Total number of locations where business activity is undertaken by the Company.			
	(a) Number of International locations	CPIL through its subsidiaries, has operations in 4 international locations.		
	(b) Number of National locations	CPIL has its registered office in Kolkata. It has manufacturing facilities at 7 locations in India (including one under its Subsidiary) and 2 Container Freight Stations at Kolkata. There are 28 marketing offices across the country supported by 43 depots/ warehouses (including 9 regional distribution centres).		
10	Markets served by the Company Local/ State/National/International	CPIL operates across India and also exports its products to Singapore, Indonesia, Mexico, USA, Thailand, Venezuela Canada, UAE, Vietnam, Israel and other countries.		

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (₹) (As on 31.03.2020)	22,21,72,990/-
2.	Total Turnover (₹) (FY 2019-20)	2,282.68 crore
3.	Total profit after taxes (₹) (FY 2019-20)	158.17 crore
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2.81% of profit after tax for FY 2019-20

5. List of CSR activities in which expenditure has been incurred:-	<p>The major areas as listed under Schedule – VII to the Companies Act, 2013 where CSR expenditure has been incurred:</p> <ul style="list-style-type: none"> • Education <p>Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently-abled and livelihood enhancement projects.</p> <ul style="list-style-type: none"> • Healthcare <p>Eradicating hunger, poverty and malnutrition; promoting health care including preventive health care and sanitation, disaster response, maintenance of hospitals, etc.</p> <ul style="list-style-type: none"> • Environmental Sustainability & Animal Welfare <p>Ensuring environmental sustainability, ecological balance, animal welfare and conservation of natural resources.</p> <ul style="list-style-type: none"> • Disaster Relief <p>Providing aid during natural calamities like cyclone and covid-19 pandemic.</p>
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SECTION C: OTHER DETAILS

1. Subsidiary Company/ Companies	As on 31 st March, 2020, CPIL has eleven subsidiaries and three step-down subsidiaries. Out of these, three subsidiaries and two step-down subsidiaries are situated outside India.
2. Participation of Subsidiary Company/ Companies in the Business Responsibility (BR) initiatives of the Parent Company? If yes, then indicate the number of such subsidiary company(s)	CPIL engages in diverse BR initiatives throughout the year and also encourages its subsidiaries to participate in its BR initiatives. The subsidiaries also define their initiatives based on their specific context whilst following the principles adopted by the Parent Company.
3. Participation and percentage of participation of other entity/ entities (e.g. suppliers and distributors, among others) that the Company does business with, in the BR initiatives of the Company	CPIL engages with various stakeholders like suppliers, distributors, employees, government and other entities in the value chain. The Company encourages adoption of BR initiatives by its business partners as well. Based on discussions with the suppliers and distributors of the Company, currently less than 30% of its stakeholders participate in the BR initiatives of the Company.

SECTION D: BUSINESS RESPONSIBILITY INFORMATION

1. Details of Director/ Directors responsible for BR	}	Sl.	Particulars	Details
(a) Details of the Director/ Directors responsible for implementation of the BR policy/ policies		1	DIN	00246132
(b) Details of the BR head		2	Name	Sri Sanjay Agarwal
		3	Designation	CEO and Managing Director
		4	Telephone number	033 39403950
	5	e-mail id	investors@centuryply.com	
2. Principle-wise (as per NVGs) BR Policy/ policies	<p>The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:</p> <p>Principle 1 Ethics, Transparency and Accountability Businesses should conduct and govern themselves with Ethics, Transparency and Accountability [P1]</p>			

Principle 2	Sustainability of Products & Services across Life-cycle Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle [P2]
Principle 3	Employees' Well-being Businesses should promote the wellbeing of all employees [P3]
Principle 4	Stakeholders' Engagement Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized [P4]
Principle 5	Human Rights Businesses should respect and promote human rights [P5]
Principle 6	Environment Business should respect, protect, and make efforts to restore the environment [P6]
Principle 7	Responsible Policy Advocacy Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner [P7]
Principle 8	Inclusive Growth and Equitable Development Businesses should support inclusive growth and equitable development [P8]
Principle 9	Customer Value Businesses should engage with and provide value to their customers and consumers in a responsible manner [P9]

DETAILS OF COMPLIANCE

Sl.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for.... ?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies are based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' released by the Ministry of Corporate Affairs. They also conform to the spirit of international standards such as ISO 9001, ISO, ILO, and OSHA.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies have been approved by the Board at its meeting held on 10 th May, 2016 and signed by the CEO and Managing Director.								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The CEO and Managing Director through the Functional Heads of the Departments/ Unit Heads of the Company, oversees the implementation of the policy across the organisation.								
6	Indicate the link for the policy to be viewed online?	https://www.centuryply.com/codes-policies/Business-Responsibility-Policy.pdf								

7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies have been communicated to all the internal and external stakeholders. The same is also made available both on the Company's website as well as intranet.								
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The BR policy is evaluated internally.								

3. Governance related to Business Responsibility

Frequency with which the Board of Directors, Committee of the Board or CEO meet to assess the Company's BR performance.	The overall BR performance of the Company is reviewed by the BR Head annually while the varied aspects of BR performance of each department/unit are assessed by the respective department/ unit heads on a regular basis.
Publishing of Business Responsibility or a Sustainability Report, its frequency and hyperlink.	The Company publishes its BR Report on an annual basis as a part of its Annual Report. The Report can also be accessed on the Company's website at https://www.centuryply.com/investor-information/Business-Responsibility-Report-2019.pdf .

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1: ETHICS, TRANSPARENCY AND ACCOUNTABILITY

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

A company's governance practices have a direct bearing on its sustainable growth. Ethics and transparency are fundamental pillars which underline our business activities. As a responsible and leading organization, the Company does its business with utmost integrity and adheres to best governance practices. The Company has always traversed the ethical growth path guided by a principled leadership team, robust governance mechanisms and transparent accounting

platforms. This has helped us to boost shareholder trust, gain competitive advantage as well as remain responsible towards all our stakeholders. The Company's Code of Conduct for Directors and Senior Management Executives serves as a guiding tool and ensures that principles get translated into consistent practice, thereby leading the Company towards high standards of business conduct. A Whistle Blower Policy/ Vigil Mechanism is also in place which provides a channel to the employees and Directors to report to the management, promptly and directly, concerns about unethical behaviour, actual or suspected fraud or any irregularity in the Company practices or violation of its codes and policies.

INFORMATION WITH REFERENCE TO BRR FRAMEWORK:

1.	Coverage of the policy relating to ethics, bribery and corruption over the company and its Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others	The policy serves as a roadmap to all employees of the Company and subsidiaries across all levels and grades. Our Organisation has requisite measures in place to address any concerns pertaining to ethics, bribery, and corruption. These are also communicated to our key associates like vendors, suppliers and contractors and they to practice them in conduct of their businesses.				
2.	Stakeholder complaints received in the past financial year and percentage of complaints satisfactorily resolved by the management.	Stakeholder Complaints	Opening	Received	Resolved	Complaints Resolved (%)
		Consumer Complaints	57	2120	2080	95.54%
		Investor Complaints	0	18	18	100%
		Vendor Complaints	Nil	Nil	–	–
		The Company has a structured mechanism in place for all its stakeholders to freely share their concerns and grievances with the Company.				

PRINCIPLE 2: SUSTAINABILITY OF PRODUCTS & SERVICES ACROSS LIFE-CYCLE**Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

Wood is a major source of raw material for the plywood industry. Availability of wood remains a critical challenge and is a serious sustainability concern, especially in a country with limited natural resources and acute income inequities. Raw material linkage plays vital role in plywood

industry, as timber logs procurement depends on available expanses of global forests. Environmental policies of local governments influence quantity of tree logs that can be used for industrial purpose. Over the years, the Company has managed to cater to raw material scarcity well in time and in a sustainable manner.

The Company is committed to conduct its business in an environmentally responsible manner. This policy is rooted in the Company's core values of quality, reliability and trust guided by

the best practices and is driven by our aspiration for excellence in the overall performance of our business. Our approach is to add value in such a manner that not only are our products affordable and accessible, but our practices are also sustainable and equitable. The Company has been the pioneer in Boiling Water Resistant (BWR) Decorative Veneer, Powder-proof PF Plywood and the revolutionary Non-leachable Fire Safe Plywood, providing maximum value and satisfaction to our customers.

The Company also strives to raise consumers' awareness through proper product labelling and marketing communications. The Company endeavours to embed the principles of sustainability, as far as practicable, into the various stages of product or service life-cycle. The environmental custodianship and Corporate Citizenship are an integral part of the Company's goal to achieve ecological development along with people development. The Company recognises the responsibility to assess and minimize the ecological impact of our business activities and protecting the ecosystem.

INFORMATION WITH REFERENCE TO BRR FRAMEWORK:

1.	Three products/ services whose design has incorporated social or environmental concerns, risks and/or opportunities.	(a) Modular door sets and Hector WPC door frames (b) Fire-retardant non-leachable plywood branded as 'firewall' (c) MDF & Particle Board
		Apart from the above, the Company continues with its environment friendly products like 'Zykron' and 'Starke'

<p>2. Details in respect of resource use (energy, water, raw material etc.)</p> <p>a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain</p> <p>b) Reduction during usage by consumers (energy, water) has been achieved since the previous year</p>	<p>Emphasis is laid by the Company on researching, developing and producing new technologies. It closely works with its suppliers and vendors to reduce any hazardous environmental impacts in the sourcing stage.</p> <p>Various initiatives have been undertaken by the Company for optimal utilisation of resources/ energy:</p> <p>(a) MDF Board uses residuals of hardwood and softwood as its primary raw material while Particle Board uses wood chips, sawmill shavings, or even sawdust as its raw material, thereby reducing usage of wooden logs.</p> <p>(b) Replacement of inefficient Boiler Feed Pump cartridges and attending Boiler Feed Pump recirculation valves based on high SEC.</p> <p>(c) Old compressors replaced with energy efficient (VFD Based) screw compressors.</p> <p>(d) Installation of solar water heaters for saving energy.</p> <p>(e) Installation of grid-connected roof top Solar PV systems.</p> <p>(f) Installation of STP plant, which has reduced consumption of precious ground water. The treated water is used for watering the greenery in the plant premises.</p> <p>(g) Installation of solar roof-top panels on factory sheds for generation of power thereby substantially reducing dependence on fossil fuels and emission of carbon dioxide.</p> <p>(h) The new age product Zykrone is a Fibre cement composite board wherein cellulose fibre is reinforced with cement thereby reducing the usage of wood-based raw-materials</p> <p>(i) Starke PVC board is made out of PVC and Calcium carbonate along with other performance enhancing additives, provides a promising and quality alternate to pure wood based product.</p> <p>(j) Adoption of improved technology for producing anti-bacterial and anti-fungal laminates and plywood.</p>
<p>3. Procedures in place for sustainable sourcing (including transportation) and percentage of your inputs sourced sustainably</p>	<p>The Company focusses on integrating sustainability in the procurement process for its products. An effective inter-department communication mechanism embedded in the SAP system enables the purchases department to act according to production and sales forecasts for the forthcoming periods to ensure optimum raw material procurement.</p> <p>The Company uses substantial quantity of plantation timber and agro-forestry materials, both of which are sustainable sources of raw materials. The Company also procures face veneer instead of raw timber logs, thereby ensuring raw material sustainability, optimising transportation and reducing related environmental impacts. As on date, the Company is sourcing approximately 15% of its timber logs and veneer from other Countries. The Company, through its Subsidiary, has also initiated steps for setting up a veneer processing unit in Gabon to take advantage of availability of Okoume timber for meeting its face veneer requirements. It is already having similar backward integration in Myanmar and Laos for securing availability of raw material. The company is also looking for other alternative species of plywood like Beech from Europe, MLH (Mixed Light Hardwood) from Solomon Islands and Papua (New Guinea). By providing subsidised saplings unconditionally, the Company is encouraging farmers around its manufacturing locations to plant eucalyptus and other trees around their field. This, in future, may turn out to be a huge source of sustainable supply of raw material the Company besides adding to the green cover.</p> <p>Higher tonnage trucks/ containers are deployed for transportation to save on fossil fuel.</p>

4.	Steps taken to procure goods and services from local & small producers, including communities surrounding the place of work and initiatives taken to improve their capacity and capability	The Company has embedded sustainability throughout its procurement supply chain. We procure much of our machinery, spare-parts, consumables and packing materials from medium and small scale manufacturers/ suppliers, preferably located close to our manufacturing units wherever possible. The Company also sources its supplies from various self-help groups. Awareness sessions are conducted for its suppliers on social and environmental issues. Suppliers are provided with managerial and technical assistance to train them on practices and procedures that will ensure improvement in productivity, quality, cost-reduction, delivery and safety.
5.	Mechanism and percentage of recycling of products and waste	Conversion of logs into veneer and thereafter to plywood is accompanied by incidental waste in some form or the other. The Company uses most of its wood based wastes as raw material for particle board. Through process technology and operational control measures, the Company endeavours to minimise the generation of product or process waste. Advanced technology is being used to join waste wood veneers together to make it usable as raw material, thereby minimising wastage. The waste-water generated is treated and used for greenbelt development, thereby ensuring zero effluent discharge. It is the Company's ongoing endeavour to have a mechanism to recycle our products and limit the waste arising out of production. Our objective is to reduce the waste and to minimize the need of raw materials to produce a brand new product. Presently more than 10% of the product wastes are either recycled or put to secondary use.

PRINCIPLE 3: EMPLOYEES' WELL-BEING

Businesses should promote the well-being of all employees

The Company gives paramount importance to the well-being of its employees since it believes that employee well-being is indispensable in the achievement of a profitable growth for the Company. It takes adequate measure to ensure the health and safety of its employees. The Company has migrated from an era of industrial relations to employee relations. The Company believes that the power of its people is propelling its progressive growth. Their knowledge, experience and passion to perform are fundamental to building the organisation further. Hence, the Company provides its employees with opportunities that encourage them to excel and ensures a conducive work environment that promotes well-being.

Our workforce is a fine blend of talent from different age groups, genders, castes, domains, religions, cultural backgrounds etc. We nurture talent by providing them the right mix of challenges and opportunities, learning platforms and leading positions, safe workplace and egalitarian work culture along with professional

growth and personal development. Diversity and merit are the two enablers of ensuring equality of opportunity for our workforce, at the time of recruitment and during the course of employment. Bias, discrimination and harassment have no room at our workplace.

Recognition and recreation are crucial to motivate the employees to perform to the best of their potential. We have specific modules to reward talent. Some of these means and modules of employee recognition and recreation include:

1. Special celebration to accord due recognition to the retiring employee
2. Long-service award to recognize the loyalty and commitment of employees
3. Family picnics to foster warm and friendly relations.
4. Birthday celebrations.
5. Talent hunt initiatives in the form of 'Centurion Idol'
6. Performance recognition through initiatives like 'Sarvada Sarvottam Ambassadors' and 'Centurion Star'.

INFORMATION WITH REFERENCE TO BRR FRAMEWORK:

1	Total number of employees	6704
2	Total number of employees hired on temporary/ contractual/ casual basis.	3289
3	Number of permanent women employees.	355
4	Number of permanent employees with disabilities	12
5	Employee associations recognized by the management.	The Company respects the rights of employees to free association and union representation. The Company has various employee unions and associations at various sites which encourage the employees to participate freely in constructive dialogue with the management.

6	Percentage of permanent employees who are members of recognized employee association.	40%												
7	Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	<table border="1"> <thead> <tr> <th>Category</th> <th>No. of complaints filed during the financial year</th> <th>No. of complaints pending as on end of the financial year</th> </tr> </thead> <tbody> <tr> <td>Child labour/ forced labour/ involuntary labour</td> <td>Nil</td> <td>Nil</td> </tr> <tr> <td>Sexual harassment</td> <td>Nil</td> <td>Nil</td> </tr> <tr> <td>Discriminatory employment</td> <td>Nil</td> <td>Nil</td> </tr> </tbody> </table>	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year	Child labour/ forced labour/ involuntary labour	Nil	Nil	Sexual harassment	Nil	Nil	Discriminatory employment	Nil	Nil
		Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year										
		Child labour/ forced labour/ involuntary labour	Nil	Nil										
		Sexual harassment	Nil	Nil										
Discriminatory employment	Nil	Nil												
The Company has also constituted an Internal Complaints Committee where employees can register their complaints against sexual harassment.														
8	Percentage of under mentioned employees who were given safety & skill up-gradation training in the last year?	Permanent Employees	33%											
		Permanent Women Employees	18%											
		Casual/ Temporary/ Contractual Employees	23%											
		Employees with disabilities	42%											

PRINCIPLE 4: STAKEHOLDERS' ENGAGEMENT

Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

Your Company believes that the performance of business enterprises must be measured in terms of the value they create for society. Company's stakeholders include shareholders and investors, employees, suppliers, dealers, stockists, retailers, customers,

government and regulatory authorities, trade unions, media and local communities around its sites of operations. The Company values the support of its stakeholders and respects the interests and concerns they have towards it. The Company endeavours to identify, prioritise and address the needs and concerns of its stakeholders across businesses and units in a continuous, consistent and systematic manner through effective dialogues, identification of material concerns and their resolution in an equitable and transparent manner.

INFORMATION WITH REFERENCE TO BRR FRAMEWORK:

1	Mapping of internal and external stakeholders	The Company has mapped its internal and external stakeholders. It uses both formal and informal mechanisms to engage with various stakeholders to understand their concerns and expectations. CPIL has always acknowledged the vital contribution of all in building a sustainable business and has accorded importance to their voices and concerns.	
		The main categories and their mode of engagements are:	
		Investors and shareholders	General meetings, annual report and Investor meets
		Employees	Meetings, newsletters, intranet portal, employee satisfaction survey and trainings
		Suppliers and dealers	Site visits and personal/ telephonic interactions/ video conferencing
		Retailers and Customers	Customer meets, customer satisfaction survey and web-based interactive portals
		Government and regulatory authorities	Industry bodies/ forums
		Trade unions	union meetings
		Media	Press releases, media events and announcements.
Local communities	Personal visits		

2	Identification of disadvantaged, vulnerable and marginalised Stakeholders	CPIL identifies disadvantaged, vulnerable and marginalized communities around its manufacturing facilities and continuously works towards their betterment by identifying their needs and expectations. It also identifies disadvantaged, vulnerable and marginalized stakeholders and continuously works towards their betterment.
3	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.	<p>CPIL makes conscious efforts for the communities residing in proximity of its manufacturing units so as to enable them improve their standard of living. Development and deployment of need-based community programmes in the areas of health, education, skill development, sanitation, livelihood etc. constitute a prominent part of Corporate Social</p> <p>Responsibility (CSR) initiatives undertaken by the Company. The Company's vocational training centre imparts carpentry training to local youth, thereby making them self-dependent.</p> <p>Direct engagement with small and marginal suppliers provides an avenue for sustainable livelihood generation and capacity building. MSME vendors are given preference wherever possible, for local procurements.</p> <p>CPIL's policies are designed to protect employees against any kind of discrimination based on caste, religion, geography, educational or social background, gender etc. Regular training at factory helps in the betterment and upliftment of workers.</p> <p>The Company constantly targets fake products and packaging manufacturers and label printers through raids in collaboration with local authorities and network of business associates as counterfeit products in the market pose a risk to customers as well.</p>

PRINCIPLE 5 : HUMAN RIGHTS

Businesses should respect and promote human rights

The Company is an ardent believer in human rights which is evident from the organisation's culture which depicts integrity and respect for human rights. The Company is committed to respect and

protect the human rights of all individuals and it strives to serve all individuals with honesty, just management and fairness. The Company understands that human rights are inherent, universal, indivisible and inter-dependent in nature. The Company upholds the fundamental human rights in line with the legitimate role of business.

INFORMATION WITH REFERENCE TO BRR FRAMEWORK:

1	Coverage of the Company's policy on human rights and its extension to the Group/ Joint Ventures/ Suppliers/ NGOs/Others	CPIL respects human rights and its code of conduct demonstrates its commitment towards the preservation of human rights across the value chain. The Company believes that a sustainable organisation rests on ethics and respect for human rights. CPIL's policy on human rights sets the Company's expectations of its Business Channel Partners, Investors and Contractors to adhere to principles of human rights. The Company, within its domain of influence, takes initiatives to promote awareness of human rights across their value chain. The Company encourages its Business Partners to follow the policy and discourages dealings with those who violate human rights.
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2	Stakeholder complaints received in the past financial year and percentage of complaints resolved satisfactorily by the management	No complaint was received pertaining to human rights violation during the reporting financial year.
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PRINCIPLE 6 : ENVIRONMENT

Business should respect, protect, and make efforts to restore the environment

The Company is committed to conduct its business in an environmentally responsible manner. This commitment is consistent with the corporate objectives of the Company and is essential to sustainable development. It constantly endeavours to embed environmental sustainability right at the design and development

stage. Despite using wooden logs as its primary raw material, the Company constantly endeavours to reduce over-consumption of resources and its related environmental impact. Optimal use of resources, reusing and recycling of waste has been embedded in its processes. Efforts to improve performances have resulted in considerable reduction in the use of energy and natural resources. There are several innovative technologies which have been implemented to reduce the energy consumption.

INFORMATION WITH REFERENCE TO BRR FRAMEWORK:

1	Coverage of the policy related to Principle 6 and its extension to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others	The Company has spread the principles of environmental sustainability across its value chain. These guidelines are communicated to our key associates like vendors, suppliers and contractors and they are encouraged to apply them in conduct of their businesses. We aim to propagate the principles of sustainability throughout our value chain and to all stakeholders.
2	Company's strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.	CPIL has adopted sustainable practices and responsible use of natural resources in order to minimise the environmental impact of its operations. New technologies, implementing process improvements and innovations have been our core areas of investment. The Company is working to control/ reduce formaldehyde emission from plywood and HPL by improved glue formulation. The Company has also developed new resin manufacturing technology to avoid vacuum distillation at final stage to avoid liquid effluent discharge. Treated water is being used for filling of ponds for storing logs, gardening, toilet flushing, fire water storage, road cleaning, etc. The Company has completed installation of roof-top solar photo voltaic panels at all its manufacturing units for generation of power thereby substantially reducing dependence on fossil fuels and emission of carbon dioxide. The Company also encourages its Business Partners to join its drive in expanding green cover.
3	Identification and assessment of potential environmental risks	Identification and assessment of potential environmental risks is an ongoing process at CPIL. Sound environmental management systems are practiced across our manufacturing units. Systems are in place to ensure continuous monitoring of potential environmental risks involved in its operations. For new and upcoming projects, potential environmental risks are identified while preparing Environment Impact Assessment (EIA) and Risk Assessment reports. Accordingly, identified potential environmental risks are addressed at the design stage and also mitigated through incorporation of robust environmental management plan. Environmental audits are carried out regularly which help in identifying potential risks and necessary corrective actions are taken to mitigate the same.

4	Company's initiatives/ projects related to Clean Development Mechanism and environmental compliance report filed	The Company has not applied for any projects under the Clean Development Mechanism. However, we strive for continual improvement in our products, services and processes, and in the value we provide to our customers, employees and the communities we serve. We embrace sustainability as a catalyst for business growth and innovation.
5	Company's initiatives on clean technology, energy efficiency, renewable energy, etc.	<p>The Company dedicatedly endeavours to reduce environmental impacts on our natural resources through implementation of best technology, reduction in use of energy, water conservation, minimization of air emissions, rainwater harvesting and solid waste recycling. Some of the steps taken in this directions are-</p> <ul style="list-style-type: none"> • Energy meters installed at all location to monitor/ control for power optimum utilisation. • Installation of wet scrubbers for air pollution control installed in lamination plant. • Installation of electrical parameters for monitoring of different sections for power control. • Installation of energy efficient equipment, lighting fixtures and also using translucent roofing sheets to use solar light during day time. • Shift towards installation of LED lighting by phasing out conventional Tube Lights/Sodium/Mercury Halogen lights • Increased use of turbo vents for better air circulation without electrical energy • Roof-top solar photo voltaic projects have been installed at all its manufacturing units for generation of power thereby substantially reducing dependence on fossil fuels and emission of carbon dioxide. • Exploring Concentrated solar thermal (CST) technologies for heating water or other thermic fluids by concentrating solar energy for process heat applications in industries by integrating it with an existing boiler/ heating system. • Screening and utilization of various bio materials obtainable from natural renewable sources is regularly being experimented to achieve reduction in the use of petroleum based chemicals, thereby reducing generation of industrial wastes and pollution.
6	Reporting on the emissions/ waste generated by the Company as per the permissible limits given by CPCB/ SPCB	The Company has been successful in meeting the applicable environmental standards through use of efficient control equipment and robust procedures. The emissions/ waste generated by CPIL is not only within but in many cases, significantly lower than the permissible limits given by the State or Central Pollution Control Boards. The environmental monitoring reports are regularly submitted to CPCB/ SPCB by the Company.
7	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	There are no pending or unresolved show cause/ legal notices from CPCB/ SPCB as on 31 st March, 2020.

PRINCIPLE 7 : RESPONSIBLE POLICY ADVOCACY

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

CPIL engages with industry bodies and associations to influence public and regulatory policy in a responsible manner. The Company has always strived to create a positive impact in the business eco-

system and communities by practicing pro-active advocacy not for securing certain benefits for industry, but for advocating certain best practices for the benefit of society at large. The Company's engagement with the relevant authorities is guided by the values of commitment, integrity, transparency and the need to balance interests of diverse stakeholders.

INFORMATION WITH REFERENCE TO BRR FRAMEWORK:

1	Membership in any trade and chamber or association	<p>CPIL has its representation in several business and industrial associations such as-</p> <ul style="list-style-type: none"> (a) MCC Chamber of Commerce and Industry (b) Bharat Chamber of Commerce (c) Indian Chamber of Commerce (d) Federation of Indian Chambers of Commerce and Industry (e) Indian Plywood Industries Research & Training Institute (f) The Bengal Chamber of Commerce and Industry (g) Association of Indian Panelboard Manufacturer (h) Indian Laminate Manufacturers Association
2	Advocating/ lobbying through above associations for the advancement or improvement of public good	<p>CPIL through various industry associations participates in advocating matters for advancement of the industry and public good. We actively participate in these forums on issues and policy matters that impact the interest of our stakeholders. We prefer to be part of the broader policy development process and do not practice lobbying on any specific issue, though, at times we had advocated on Economic Reforms and Sustainable Business Principles through them.</p>

PRINCIPLE 8: INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Businesses should support inclusive growth and equitable development

Inclusive business for the Company means creating economic well-being through employment, skill improvement and access to markets for the community we operate in. The Company believes in

creating opportunities for the people around its operations to enable a sustainable future and ensure inclusive growth. Its community development activities focus on areas that foster development and well-being of communities. CPIL's CSR initiatives are aligned to aspects, such as healthcare, education and environmental sustainability.

INFORMATION WITH REFERENCE TO BRR FRAMEWORK:

1.	Specified programmes/initiatives/ projects in pursuit of the policy related to Principle 8	<p>CPIL's core business as well as its corporate social responsibility initiatives supports the principles of inclusive growth and equitable development. The Company believes in being an equal opportunity employer. Policies have even been framed for promoting an inclusive workplace, where the potential of our women employees is leveraged and every woman feels valued, heard and fully involved with the Company.</p> <p>We also work towards targeting fake and counterfeit products available in the market as these pose a serious risk to our customer's well-being as well.</p> <p>The Company's inclusive growth initiatives are focused towards achieving the following objectives:</p> <ol style="list-style-type: none"> 1. Ensuring the well-being of local communities 2. Building self-employment capabilities by imparting carpentry training 3. Empowering women 4. Creating access to healthcare 5. Conserving the environment 6. Promoting education
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2.	Modes through which programmes/ projects undertaken (through in-house team/ own foundation/ external NGO/ government structures/ any other organization)	Programmes pertaining to Principle 8 are carried out by the Company directly and/or through its own Company-promoted Charitable Trusts, other NGOs and non-profit organizations.
3.	Impact assessments for initiatives undertaken	The Company internally performs an impact assessment of its initiatives at the end of each year to understand the efficacy of the program in terms of delivery of desired benefits to the community and to gain insights for improving the design and delivery of future initiatives.
4.	Company's direct contribution to community development projects and the details of the projects undertaken.	CPIL's contribution towards community development projects carried under its CSR policy during the reporting period (2019-20) is ₹4.45 crore. Details of the same have been provided in 'Annexure-7' of the Directors' Report.
5.	Steps taken to ensure that community development initiatives are successfully adopted by the community.	<p>CPIL follows a participatory approach in the areas of intervention and encourages participation from communities for planning and implementation purposes. Surveys and focused meetings have been conducted by our businesses and manufacturing units continuously to engage with communities surrounding their operations in order to assess the needs, priorities and expectations of the local community. Initiatives are thus designed and delivered in a transparent manner in line with inputs from the community itself.</p> <p>CPIL undertook programs for providing free of cost training to local people around the Company's works in tailoring and spoken English. The objective of these program is to provide skill development training to local people from economically weaker sections of the society and help to make them more employable.</p>

PRINCIPLE 9 : CUSTOMER VALUE

Businesses should engage with and provide value to their customers and consumers in a responsible manner

The Company is committed to continuously exceed customer expectations. Customer satisfaction is the key to our growth and

success in this line of business. The Company strives hard to provide better services and greatest value to its customers. Our customers have been our strong pillar of support and over the years of our existence have become our true brand ambassadors. This foundation is supported by our continuous efforts to provide the best quality product, accompanied by the best marketing and technical support.

INFORMATION WITH REFERENCE TO BRR FRAMEWORK:

1	Percentage of customer complaints/ consumer cases pending as on the end of financial year	2177 customer complaints were received (including 57 pending from previous year) of which 2080 were successfully resolved. Only 97 complaints constituting 4.46% remained pending as on the end of the financial year. Subsequently, most of these complaints have also been resolved. Further, only 11 cases filed by customers/ consumers in various Consumer Courts/ Redressal Forum were pending as on the 31 st March, 2020.
2	Display of product information on the product label, over and above what is mandated as per local laws	CPIL adheres to all legal statutes with respect to product labelling and display of product information. The Company also displays all the requisite information and safety guidance which are specific to its products.

3	Case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behaviour during the last five years and pending as on the end of financial year.	The Company does not have any stakeholder complaints with regard to unethical or unfair trade practices, irresponsible advertising and/or anti-competitive behaviour, which are pending as at 31 st March, 2020.
4	Consumer survey/ consumer satisfaction trends carried out by the Company	Consumer satisfaction is imperative for the success of business. The Company connects with consumer through multiple touch points. Feedback of the end-consumers is also obtained through the numerous dealers and architects empanelled with the Company to understand the product quality feedback. The Company's CFS Division also carries out shipping lines' survey. The Company also has a systematic process for resolution of all complaints and this helps in improving consumer delight.

For and on behalf of the Board of Directors

Kolkata, 26th June, 2020

Sajjan Bhajanka
(DIN: 00246043)
Chairman and Managing Director

Annexure- 9

FORM MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2020

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L20101WB1982PLC034435
ii)	Registration Date	05-01-1982
iii)	Name of the Company	Century Plyboards (India) Ltd.
iv)	Category / Sub-Category of the Company	Public Company limited by shares
v)	Address of the Registered office and contact details	Address: P - 15/1, Taratala Road, Kolkata- 700 088 Phone no.: 033 3940 3950, Email ID: investors@centuryply.com
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Maheshwari Datamatics Pvt. Ltd., 23, R. N. Mukherjee Road, 5 th Floor, Kolkata 700 001 Ph: 033-22435029 Email ID: mdpldc@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Plywood & Veneer	1621	74.94
2	Laminate	1709	10.50
3	Medium Density Fibre Board	1621	7.47

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1	Auro Sundram Ply and Door Pvt. Ltd.	Khasra No. 217,356,357,360,361, Raipur Industrial Area, Gagalheri Road, Bhagwanpur, Roorkee, Uttarakhand- 247661	U20211UR2005PTC032621	Subsidiary	51	2(87)(ii)
2	Century MDF Ltd.	P - 15/1 Taratala Road, Kolkata-700 088	U20296WB2012PLC181050	Subsidiary	100	2(87)(ii)
3	Ara Suppliers Pvt. Ltd.	P - 15/1 Taratala Road, Kolkata-700 088	U51109WB2006PTC110351	Subsidiary	80	2(87)(ii)
4	Arham Sales Pvt. Ltd.	P - 15/1 Taratala Road, Kolkata-700 088	U51909WB2006PTC111570	Subsidiary	80	2(87)(ii)
5	Adonis Vyaper Pvt. Ltd.	P - 15/1 Taratala Road, Kolkata-700 088	U52190WB2006PTC111573	Subsidiary	80	2(87)(ii)
6	Apnapan Viniyog Pvt. Ltd.	P - 15/1 Taratala Road, Kolkata-700 088	U52190WB2006PTC111571	Subsidiary	80	2(87)(ii)
7	Century Infotech Ltd.	P - 15/1 Taratala Road, Kolkata-700 088	U72900WB1997PLC086118	Subsidiary	60.06	2(87)(ii)
8	Century Panels Ltd.	P - 15/1 Taratala Road, Kolkata-700 088	U20299WB2020PLC236573	Subsidiary	100	2(87)(ii)
9	Centuryply Myanmar Pvt. Ltd.	No.24-27 Min Teikdi Kyaw Swar Road, East Dagon Industrial Zone, Yangon, Myanmar	Foreign Company	Subsidiary	100	2(87)(ii)
10	Century Ply (Singapore) Pte Ltd.	291, Choa Chu Kang Avenue 3, #05-204, Singapore- 680291	Foreign Company	Subsidiary	90.60	2(87)(ii)
11	Century Gabon SUARL	Plot No. E-3A, NKOK-Special Economic Zone PK-27, Libreville, Gabon (Africa)	Foreign Company	Subsidiary	100	2(87)(ii)
12	Century Ply Laos Co. Ltd.	House No.225 Sysavangvong Road, Unit 22, Saiyamongkoun Village, Kaisonphomevihan district Savannakhet Province, Lao PDR	Foreign Company	Step down Subsidiary	90	2(87)(ii)
13	Century Huesoulin Plywood Lao Co. Ltd	Ban Xayamounkhoun Kaison Phomvihane District Savannakhet Province, Lao PDR	Foreign Company	Step down Subsidiary	51	2(87)(ii)
14	Asis Plywood Ltd.	Plot No. 94/7, Block -2, WHS, Kirti Nagar New Delhi -110015	U74990DL2005PLC135152	Step down Subsidiary	100	2(87)(ii)

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year(01.04.2019)				No. of Shares held at the end of the year(31.03.2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	122146962	-	122146962	54.98	122962778	-	122962778	55.35	0.37
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	39329080	-	39329080	17.70	39329080	-	39329080	17.70	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	161476042	-	161476042	72.68	162291858	-	162291858	73.05	0.37
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A) (1)+(A)(2)	161476042	-	161476042	72.68	162291858	-	162291858	73.05	0.37
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	13808967	-	13808967	6.22	14326088	-	14326088	6.45	0.23
b) Banks / FI	90677	-	90677	0.04	277474	-	277474	0.12	0.08
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	2855215	-	2855215	1.29	1.29
g) FIs	11431	-	11431	0.01	11431	-	11431	0.01	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)									
a) Alternate Investment Funds	2339722	-	2339722	1.05	764036	-	764036	0.34	-0.71
b) Foreign Portfolio Investors	17161475	-	17161475	7.72	15345001	-	15345001	6.90	-0.82
Sub-total (B)(1):-	33412272	-	33412272	15.04	33579245	-	33579245	15.11	0.07
2. Non- Institutions									
a) Bodies Corporate									
i) Indian	8283911	10500	8294411	3.73	8488742	10500	8499242	3.82	0.09
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lac	15411757	463005	15874762	7.15	15332644	436747	15769391	7.10	-0.05

Category of Shareholders	No. of Shares held at the beginning of the year(01.04.2019)				No. of Shares held at the end of the year(31.03.2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of ₹1 lac	1224614	-	1224614	0.55	377097	-	377097	0.17	-0.38
c) Others (specify)		-							
(i) Trusts	607130	-	607130	0.27	4693	-	4693	Negligible	-0.27
(ii) Clearing Member	227866	-	227866	0.10	87968	-	87968	0.04	-0.06
(iii) Non Resident Individual	982152	-	982152	0.44	1485665	-	1485665	0.67	0.23
(iv) NBFCs registered with RBI	3045	-	3045	Negligible	0	-	0	0	Negligible
(v) Foreign National	2733	-	2733	Negligible	160	-	160	Negligible	Negligible
(vi) Investor Education and Protection Fund Authority	67963	-	67963	0.03	77671	-	77671	0.03	Negligible
Subtotal (B)(2):-	26811171	473505	27284676	12.28	25854640	447247	26301887	11.84	-0.44
Total Public Shareholding (B)=(B)(1)+ (B)(2)	60223443	473505	60696948	27.32	59433885	447247	59881132	26.95	-0.37
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	221699485	473505	222172990	100	221725743	447247	222172990	100	-

ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2019)			Shareholding at the end of the year (31.03.2020)			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Sajjan Bhajanka (Promoter)	25734402	11.58	-	26214037	11.80	-	0.22
2	Santosh Bhajanka*	15449500	6.95	-	15449500	6.95	-	-
3	Keshav Bhajanka*	500000	0.23	-	500000	0.23	-	-
4	Sonu Kajaria*	628500	0.28	-	663500	0.30	-	0.02
5	Payal Agrawal*	600000	0.27	-	600000	0.27	-	-
6	Shraddha Agarwal*	600000	0.27	-	609000	0.27	-	Negligible
7	Sri Ram Vanijya Pvt. Ltd. *	8502180	3.83	-	8502180	3.83	-	-
8	Sri Ram Merchants Pvt. Ltd. *	6739870	3.03	-	6739870	3.03	-	-
9	Sanjay Agarwal (Promoter)	24756383	11.14	-	24880460	11.20	-	0.06
10	Divya Agarwal*	16749750	7.54	-	16749750	7.54	-	-
11	Nikita Bansal*	50000	0.02	-	69200	0.03	-	0.01
12	Sumangal International Pvt. Ltd. *	7666800	3.45	-	7666800	3.45	-	-
13	Sumangal Business Pvt. Ltd. *	6831240	3.07	-	6831240	3.07	-	-
14	Auroville Investments Pvt. Ltd. *	1845000	0.83	-	1845000	0.83	-	-

SI No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2019)			Shareholding at the end of the year (31.03.2020)			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
15	Hari Prasad Agarwal (Promoter)	2435760	1.10	-	2451574	1.10	-	Negligible
16	Hari Prasad Agarwal (HUF) *	1608890	0.72	-	1608890	0.72	-	-
17	Sumitra Devi Agarwal*	1703650	0.77	-	1716150	0.78	-	0.01
18	Rajesh Kumar Agarwal*	1602308	0.72	-	1602308	0.72	-	-
19	Bhawna Agarwal*	3099690	1.40	-	3144816	1.42	-	0.02
20	Brijdham Merchants Pvt. Ltd. *	7743990	3.49	-	7743990	3.49	-	-
21	Vishnu Khemani (Promoter)	12747000	5.74	-	12786900	5.76	-	0.02
22	Sudha Khemani*	6000000	2.70	-	6000000	2.70	-	-
23	Prem Kumar Bhajanka (Promoter)	4636997	2.09	-	4672561	2.10	-	0.01
24	Yash Bhajanka*	3149132	1.42	-	3149132	1.42	-	-
25	Nancy Choudhary*	95000	0.04	-	95000	0.04	-	-
	Total	161476042	72.68	-	162291858	73.05	-	0.37

* Promoter Group

iii) Change in Promoters' Shareholding

	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reasons for increase / decrease	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		
At the beginning of the year (01.04.2019)	161476042	72.68				
Date wise Increase / Decrease in Promoters shareholding during the year						
Date	Name					
26.06.19	Sajjan Bhajanka	74225	0.03	161550267	72.71	Purchase
26.06.19	Sanjay Agarwal	74077	0.03	161624344	72.74	Purchase
13.08.19	Sajjan Bhajanka	25620	0.01	161649964	72.75	Purchase
13.08.19	Sanjay Agarwal	25000	0.01	161674964	72.76	Purchase
13.08.19	Sonu Kajaria	35000	0.02	161709964	72.78	Purchase
14.08.19	Sajjan Bhajanka	25000	0.01	161734964	72.79	Purchase
14.08.19	Sanjay Agarwal	25000	0.01	161759964	72.80	Purchase
14.08.19	Nikita Bansal	3796	0.00	161763760	72.80	Purchase
19.08.19	Nikita Bansal	4204	0.00	161767964	72.80	Purchase
22.08.19	Sajjan Bhajanka	75000	0.04	161842964	72.84	Purchase
22.08.19	Nikita Bansal	4000	0.00	161846964	72.84	Purchase
20.09.19	Nikita Bansal	7200	0.00	161854164	72.84	Purchase
05.03.20	Vishnu Khemani	10000	0.01	161864164	72.85	Purchase
12.03.20	Vishnu Khemani	9900	0.01	161874064	72.86	Purchase
12.03.20	Sajjan Bhajanka	75000	0.03	161949064	72.89	Purchase
13.03.20	Sajjan Bhajanka	54422	0.03	162003486	72.92	Purchase
13.03.20	Vishnu Khemani	10000	0.00	162013486	72.92	Purchase
18.03.20	Sajjan Bhajanka	98899	0.05	162112385	72.97	Purchase
18.03.20	Shraddha Agarwal	4000	0.00	162116385	72.97	Purchase

		Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reasons for increase / decrease
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
18.03.20	Vishnu Khemani	2533	0.00	162118918	72.97	Purchase
19.03.20	Vishnu Khemani	7467	0.00	162126385	72.97	Purchase
19.03.20	Sajjan Bhajanka	40706	0.02	162167091	72.99	Purchase
20.03.20	Sajjan Bhajanka	10763	0.01	162177854	73.00	Purchase
20.03.20	Shraddha Agarwal	5000	0.00	162182854	73.00	Purchase
23.03.20	Hari Prasad Agarwal	12500	0.01	162195354	73.01	Purchase
23.03.20	Sumitra Devi Agarwal	12500	0.01	162207854	73.02	Purchase
23.03.20	Prem Kumar Bhajanka	6316	0.00	162214170	73.02	Purchase
24.03.20	Hari Prasad Agarwal	3314	0.00	162217484	73.02	Purchase
24.03.20	Prem Kumar Bhajanka	29248	0.01	162246732	73.03	Purchase
24.03.20	Bhawna Agarwal	45126	0.02	162291858	73.05	Purchase
At the end of the year (31.03.2020)				162291858	73.05	

iv) Change in Promoters' Shareholding (Promoter-wise)

Sl. No	Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reasons for increase / decrease	
		No. of shares	% of total shares of the company	Nil	% of total shares of the company		
1	Sajjan Bhajanka- (Promoter)						
	At the beginning of the year		25734402	11.58			
	Date wise Increase / Decrease in shareholding during the year	26.06.19	74225	0.04	25808627	11.62	Purchase
		13.08.19	25620	0.01	25834247	11.63	Purchase
		14.08.19	25000	0.01	25859247	11.64	Purchase
		22.08.19	75000	0.03	25934247	11.67	Purchase
		12.03.20	75000	0.03	26009247	11.70	Purchase
		13.03.20	54422	0.02	26063669	11.72	Purchase
		18.03.20	98899	0.05	26162568	11.77	Purchase
		19.03.20	40706	0.02	26203274	11.79	Purchase
20.03.20		10763	0.01	26214037	11.80	Purchase	
At the end of the year				26214037	11.80		
2	Santosh Bhajanka- (Promoter Group)						
	At the beginning of the year		15449500	6.95			
	Date wise Increase / Decrease in shareholding during the year	Nil	-	-	15449500	6.95	
At the end of the year				15449500	6.95		
3	Keshav Bhajanka - (Promoter Group)						
	At the beginning of the year		500000	0.23			
	Date wise Increase / Decrease in shareholding during the year		-	-	500000	0.23	
At the end of the year				500000	0.23		

Sl. No	Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reasons for increase / decrease	
		No. of shares	% of total shares of the company	Nil	% of total shares of the company		
4	Sonu Kajaria - (Promoter Group)						
	At the beginning of the year		628500	0.28			
	Date wise Increase / Decrease in shareholding during the year	13.08.19	35000	0.02	663500	0.30	Purchase
	At the end of the year				663500	0.30	
5	Payal Agrawal - (Promoter Group)						
	At the beginning of the year		600000	0.27			
	Date wise Increase / Decrease in shareholding during the year		Nil	-	600000	0.27	
	At the end of the year				600000	0.27	
6	Shraddha Agarwal - (Promoter Group)						
	At the beginning of the year		600000	0.27			
	Date wise Increase / Decrease in shareholding during the year	18.03.20	4000	Negligible	604000	0.27	Purchase
		20.03.20	5000	Negligible	609000	0.27	Purchase
	At the end of the year				609000	0.27	
7	Sri Ram Vanijya Pvt. Ltd.- (Promoter Group)						
	At the beginning of the year		8502180	3.83			
	Date wise Increase / Decrease in shareholding during the year		Nil	-	8502180	3.83	
	At the end of the year				8502180	3.83	
8	Sri Ram Merchants Pvt. Ltd.- (Promoter Group)						
	At the beginning of the year		6739870	3.03			
	Date wise Increase / Decrease in shareholding during the year		Nil	-	6739870	3.03	
	At the end of the year				6739870	3.03	
9	Sanjay Agarwal - (Promoter)						
	At the beginning of the year		24756383	11.14			
	Date wise Increase / Decrease in shareholding during the year	26.06.19	74077	0.04	24830460	11.18	Purchase
		13.08.19	25000	0.01	24855460	11.19	Purchase
		14.08.19	25000	0.01	24880460	11.20	Purchase
At the end of the year				24880460	11.20		
10	Divya Agarwal - (Promoter Group)						
	At the beginning of the year		16749750	7.54			
	Date wise Increase / Decrease in shareholding during the year		Nil	-	16749750	7.54	
	At the end of the year				16749750	7.54	

Sl. No	Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reasons for increase / decrease	
		No. of shares	% of total shares of the company	Nil	% of total shares of the company		
11	Nikita Bansal - (Promoter Group)						
	At the beginning of the year		50000	0.02			
	Date wise Increase /	14.08.19	3796	Negligible	53796	0.02	Purchase
	Decrease in shareholding	19.08.19	4204	Negligible	58000	0.02	Purchase
	during the year	22.08.19	4000	Negligible	62000	0.02	Purchase
		20.09.19	7200	0.01	69200	0.03	Purchase
At the end of the year				69200	0.03		
12	Sumangal International Pvt. Ltd.- (Promoter Group)						
	At the beginning of the year		7666800	3.45			
	Date wise Increase / Decrease in shareholding during the year		Nil	-	7666800	3.45	
At the end of the year				7666800	3.45		
13	Sumangal Business Pvt. Ltd.- (Promoter Group)						
	At the beginning of the year		6831240	3.07			
	Date wise Increase / Decrease in shareholding during the year		Nil	-	6831240	3.07	
At the end of the year				6831240	3.07		
14	Auroville Investments Pvt. Ltd.- (Promoter Group)						
	At the beginning of the year		1845000	0.83			
	Date wise Increase / Decrease in shareholding during the year		Nil	-	1845000	0.83	
At the end of the year				1845000	0.83		
15	Hari Prasad Agarwal - (Promoter)						
	At the beginning of the year		2435760	1.10			
	Date wise Increase /	23.03.20	12500	0.01	2448260	1.10	Purchase
	Decrease in shareholding	24.03.20	3314	Negligible	2451574	1.10	Purchase
At the end of the year				2451574	1.10		
16	Hari Prasad Agarwal (HUF) - (Promoter Group)						
	At the beginning of the year		1608890	0.72			
	Date wise Increase / Decrease in shareholding during the year		Nil	-	1608890	0.72	
At the end of the year				1608890	0.72		
17	Sumitra Devi Agarwal - (Promoter Group)						
	At the beginning of the year		1703650	0.77			
	Date wise Increase /	23.03.20	12500	0.01	1716150	0.78	Purchase
	Decrease in shareholding						
At the end of the year				1716150	0.78		

Sl. No	Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reasons for increase / decrease	
		No. of shares	% of total shares of the company	Nil	% of total shares of the company		
18	Rajesh Kumar Agarwal - (Promoter Group)						
	At the beginning of the year		1602308	0.72			
	Date wise Increase / Decrease in shareholding during the year		Nil	-	1602308	0.72	
	At the end of the year				1602308	0.72	
19	Bhawna Agarwal - (Promoter Group)						
	At the beginning of the year		3099690	1.40			
	Date wise Increase / Decrease in shareholding during the year		25.03.20 45126	0.02	3144816	1.42	Purchase
	At the end of the year				3144816	1.42	
20	Brijdham Merchants Pvt. Ltd - (Promoter Group)						
	At the beginning of the year		7743990	3.49			
	Date wise Increase / Decrease in shareholding during the year		Nil	-	7743990	3.49	
	At the end of the year				7743990	3.49	
21	Vishnu Khemani - (Promoter)						
	At the beginning of the year		12747000	5.74			
	Date wise Increase / Decrease in shareholding during the year		05.03.20 10000	Negligible	12757000	5.74	Purchase
			12.03.20 9900	0.01	12766900	5.75	Purchase
			13.03.20 10000	Negligible	12776900	5.75	Purchase
			18.03.20 2533	Negligible	12779433	5.75	Purchase
			19.03.20 7467	0.01	12786900	5.76	Purchase
At the end of the year				12786900	5.76		
22	Sudha Khemani - (Promoter Group)						
	At the beginning of the year		6000000	2.69			
	Date wise Increase / Decrease in shareholding during the year		Nil	-	6000000	2.70	
	At the end of the year				6000000	2.70	
23	Prem Kumar Bhajanka - (Promoter)						
	At the beginning of the year		4636997	2.09			
	Date wise Increase / Decrease in shareholding during the year		23.03.20 6316	Negligible	4643313	2.09	Purchase
			24.03.20 29248	0.01	4672561	2.10	Purchase
At the end of the year				4672561	2.10		
24	Yash Bhajanka - (Promoter Group)						
	At the beginning of the year		3149132	1.42			
	Date wise Increase / Decrease in shareholding during the year		Nil	-	3149132	1.42	
	At the end of the year				3149132	1.42	

Sl. No	Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reasons for increase / decrease
		No. of shares	% of total shares of the company	Nil	% of total shares of the company	
25	Nancy Choudhary - (Promoter Group)					
	At the beginning of the year		95000	0.04		
	Date wise Increase / Decrease in shareholding during the year		-	-	95000	0.04
	At the end of the year				95000	0.04

v) Shareholding Pattern of top ten Shareholders (as on 31st March, 2020)

(other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reasons for increase / decrease	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		
1	KOTAK DEBT HYBRID						
	At the beginning of the year		895358	0.40			
	Date wise Increase / Decrease in shareholding during year	12.04.19	48091	0.02	943449	0.42	Transfer
		19.04.19	724	Negligible	944173	0.42	Transfer
		26.04.19	50201	0.02	994374	0.44	Transfer
		10.05.19	50000	0.02	1044374	0.46	Transfer
		31.05.19	23445	0.01	1067819	0.47	Transfer
		14.06.19	26204	0.01	1094023	0.48	Transfer
		28.06.19	25000	0.01	1119023	0.49	Transfer
		12.07.19	105682	0.05	1224705	0.55	Transfer
		26.07.19	150000	0.07	1374705	0.62	Transfer
		16.08.19	25000	0.01	1399705	0.63	Transfer
		23.08.19	50000	0.02	1449705	0.65	Transfer
		30.08.19	75000	0.03	1524705	0.68	Transfer
		20.09.19	50000	0.02	1574705	0.70	Transfer
		27.09.19	70000	0.03	1644705	0.73	Transfer
		22.11.19	37452	0.02	1682157	0.75	Transfer
		29.11.19	45797	0.02	1727954	0.77	Transfer
		13.12.19	20000	0.01	1747954	0.78	Transfer
		20.12.19	45772	0.02	1793726	0.80	Transfer
		27.12.19	44012	0.02	1837738	0.82	Transfer
		31.12.19	3967	Negligible	1841705	0.82	Transfer
		03.01.20	325000	0.15	2166705	0.97	Transfer
		10.01.20	29896	0.01	2196601	0.98	Transfer
		17.01.20	942137	0.42	3138738	1.40	Transfer
		24.01.20	569715	0.26	3708453	1.66	Transfer
		31.01.20	131202	0.06	3839655	1.72	Transfer
		07.02.20	335698	0.15	4175353	1.87	Transfer
		14.02.20	84701	0.04	4260054	1.91	Transfer
	21.02.20	150000	0.07	4410054	1.98	Transfer	
	28.02.20	129296	0.06	4539350	2.04	Transfer	
	06.03.20	50433	0.02	4589783	2.06	Transfer	
	13.03.20	56065	0.03	4645848	2.09	Transfer	
20.03.20	330000	0.15	4975848	2.24	Transfer		
31.03.20	1099	Negligible	4976947	2.24	Transfer		
At the end of the year				4976947	2.24		
2	GOVERNMENT PENSION FUND GLOBAL						
	At the beginning of the year		4716949	2.12			
	Date wise Increase / Decrease in shareholding during the year	08.11.19	(60000)	(0.02)	4656949	2.10	Transfer
		15.11.19	(895000)	(0.41)	3761949	1.69	Transfer
At the end of the year				3761949	1.69		

Sl. No	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reasons for increase / decrease	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		
3	SUNDARAM MUTUAL FUND						
	At the beginning of the year	3197252	1.44				
	Date wise Increase /	29.11.19	(3063)	(Negligible)	3194189	1.44	Transfer
	Decrease in shareholding	13.12.19	(1198)	(Negligible)	3192991	1.44	Transfer
	during the year	10.01.20	6020	Negligible	3199011	1.44	Transfer
		07.02.20	5000	Negligible	3204011	1.44	Transfer
		28.02.20	17398	0.01	3221409	1.45	Transfer
	At the end of the year			3221409	1.45		
4	MIRAE ASSET GREAT CONSUMER FUND						
	At the beginning of the year	670000	0.30				
	Date wise Increase /	19.04.19	80000	0.04	750000	0.34	Transfer
	Decrease in shareholding	26.04.19	40000	0.02	790000	0.36	Transfer
	during year	03.05.19	65000	0.03	855000	0.39	Transfer
		10.05.19	45000	0.02	900000	0.41	Transfer
		14.06.19	30000	0.01	930000	0.42	Transfer
		21.06.19	20000	0.01	950000	0.43	Transfer
		28.06.19	30000	0.01	980000	0.44	Transfer
		05.07.19	20000	0.01	1000000	0.45	Transfer
		26.07.19	50000	0.02	1050000	0.47	Transfer
		16.08.19	4479	Negligible	1054479	0.47	Transfer
		23.08.19	45521	0.02	1100000	0.49	Transfer
		20.09.19	503309	0.23	1603309	0.72	Transfer
		27.09.19	50000	0.02	1653309	0.74	Transfer
		18.10.19	70000	0.03	1723309	0.77	Transfer
		15.11.19	130000	0.06	1853309	0.83	Transfer
		22.11.19	40000	0.02	1893309	0.85	Transfer
		29.11.19	60000	0.03	1953309	0.88	Transfer
		13.12.19	60000	0.03	2013309	0.91	Transfer
	24.01.20	137008	0.06	2150317	0.97	Transfer	
	31.01.20	61096	0.03	2211413	1.00	Transfer	
	07.02.20	132774	0.06	2344187	1.06	Transfer	
	14.02.20	60000	0.02	2404187	1.08	Transfer	
	21.02.20	60000	0.03	2464187	1.11	Transfer	
	28.02.20	167983	0.08	2632170	1.19	Transfer	
	13.03.20	18126	Negligible	2650296	1.19	Transfer	
	20.03.20	293471	0.13	2943767	1.32	Transfer	
	At the end of the year			2943767	1.32		
5	PICTET - INDIAN EQUITIES						
	At the beginning of the year	1663603	0.75				
	Date wise Increase /	05.04.19	(3730)	(Negligible)	1659873	0.75	Transfer
	Decrease in shareholding	12.04.19	(34022)	(0.02)	1625851	0.73	Transfer
	during the year	28.06.19	1257825	0.57	2883676	1.30	Transfer
	At the end of the year			2883676	1.30		

Sl. No	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reasons for increase / decrease	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		
6	HDFC LIFE INSURANCE COMPANY LIMITED						
	At the beginning of the year		1551456	0.70			
	Date wise Increase / Decrease in shareholding during the year	05.04.19	48544	0.02	1600000	0.72	Transfer
		12.07.19	11281	0.01	1611281	0.73	Transfer
		19.07.19	388719	0.17	2000000	0.90	Transfer
		26.07.19	100000	0.05	2100000	0.95	Transfer
		07.02.20	400000	0.18	2500000	1.13	Transfer
At the end of the year				2500000	1.13		
7	KUWAIT INVESTMENT AUTHORITY FUND						
	At the beginning of the year		Nil	Nil			
	Date wise Increase / Decrease in shareholding during the year	27.09.19	951000	0.43	951000	0.43	Transfer
		30.09.19	700000	0.31	1651000	0.74	Transfer
		04.10.19	56200	0.03	1707200	0.77	Transfer
		11.10.19	380800	0.17	2088000	0.94	Transfer
		18.10.19	200000	0.09	2288000	1.03	Transfer
At the end of the year				2288000	1.03		
8	HDFC TRUSTEE COMPANY LIMITED (HDFC MUTUAL FUND)						
	At the beginning of the year		2011500	0.91			
	Date wise Increase / Decrease in shareholding during year	03.05.19	(149374)	(0.07)	1862126	0.84	Transfer
		10.05.19	(109893)	(0.05)	1752233	0.79	Transfer
		17.05.19	(129543)	(0.06)	1622690	0.73	Transfer
		24.05.19	(62600)	(0.03)	1560090	0.70	Transfer
		31.05.19	(135000)	(0.06)	1425090	0.64	Transfer
		28.06.19	(128590)	(0.06)	1296500	0.58	Transfer
		20.03.20	337600	0.15	1634100	0.73	Transfer
		31.03.20	279300	0.13	1913400	0.86	Transfer
At the end of the year				1913400	0.86		
9	MAX LIFE INSURANCE COMPANY LIMITED						
	At the beginning of the year		Nil	Nil			
	Date wise Increase / Decrease in shareholding during year	15.11.19	760391	0.34	760391	0.34	Transfer
		22.11.19	75000	0.03	835391	0.38	Transfer
		29.11.19	380681	0.17	1216072	0.55	Transfer
		06.12.19	64239	0.04	1280311	0.58	Transfer
		13.12.19	363005	0.16	1643316	0.74	Transfer
		20.12.19	96375	0.04	1739691	0.78	Transfer
		10.01.20	20000	0.01	1759691	0.79	Transfer
		31.01.20	9412	0.01	1769103	0.80	Transfer
At the end of the year				1769103	0.80		
10	SCOTIA ENTERPRISES PRIVATE LIMITED						
	At the beginning of the year		1275159	0.57			
	Date wise Increase / Decrease in shareholding during year		Nil	-			
	At the end of the year				1275159	0.57	

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No	For each of the Directors and KMP		Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reasons for increase / decrease
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	Sajjan Bhajanka						
	At the beginning of the year		25734402	11.58			
	Date wise Increase / Decrease in shareholding during the year	26.06.19	74225	0.04	25808627	11.62	Purchase
		13.08.19	25620	0.01	25834247	11.63	Purchase
		14.08.19	25000	0.01	25859247	11.64	Purchase
		22.08.19	75000	0.03	25934247	11.67	Purchase
		12.03.20	75000	0.03	26009247	11.70	Purchase
		13.03.20	54422	0.02	26063669	11.72	Purchase
		18.03.20	98899	0.05	26162568	11.77	Purchase
		19.03.20	40706	0.02	26203274	11.79	Purchase
20.03.20	10763	0.01	26214037	11.80	Purchase		
At the end of the year				26214037	11.80		
2	Sanjay Agarwal						
	At the beginning of the year		24756383	11.14			
	Date wise Increase / Decrease in shareholding during the year	26.06.19	74077	0.04	24830460	11.18	Purchase
		13.08.19	25000	0.01	24855460	11.19	Purchase
		14.08.19	25000	0.01	24880460	11.20	Purchase
At the end of the year				24880460	11.20		
3	Vishnu Khemani						
	At the beginning of the year		12747000	5.74			
	Date wise Increase / Decrease in shareholding during the year	05.03.20	10000	Negligible	12757000	5.74	Purchase
		12.03.20	9900	0.01	12766900	5.75	Purchase
		13.03.20	10000	Negligible	12776900	5.75	Purchase
		18.03.20	2533	Negligible	12779433	5.75	Purchase
		19.03.20	7467	0.01	12786900	5.76	Purchase
At the end of the year				12786900	5.76		
4	Prem Kumar Bhajanka						
	At the beginning of the year		4636997	2.09			
	Date wise Increase / Decrease in shareholding during the year	23.03.20	6316	Negligible	4643313	2.09	Purchase
		24.03.20	29248	0.01	4672561	2.10	Purchase
At the end of the year				4672561	2.10		
5	Hari Prasad Agarwal						
	At the beginning of the year		2435760	1.10			
	Date wise Increase / Decrease in shareholding during the year	23.03.20	12500	Negligible	2448260	1.10	Purchase
		24.03.20	3314	Negligible	2451574	1.10	Purchase
At the end of the year				2451574	1.10		
6	Ajay Baldawa						
	At the beginning of the year		75000	0.03			
	Date wise Increase / Decrease in shareholding during the year		Nil	-	75000	0.03	
At the end of the year				75000	0.03		

Sl. No	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reasons for increase / decrease		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company			
7	Keshav Bhajanka							
	At the beginning of the year		500000	0.23				
	Date wise Increase / Decrease in shareholding during the year		Nil	-	500000	0.23		
	At the end of the year				500000	0.23		
8	Nikita Bansal							
	At the beginning of the year		50000	0.02				
	Date wise Increase / Decrease in shareholding during the year		14.08.19	3796	Negligible	53796	0.02	Purchase
			19.08.19	4204	Negligible	58000	0.02	Purchase
			22.08.19	4000	Negligible	62000	0.02	Purchase
			20.09.19	7200	0.01	69200	0.03	Purchase
At the end of the year				69200	0.03			
9	Mangi Lal Jain							
	At the beginning of the year		6450	Negligible				
	Date wise Increase / Decrease in shareholding during the year		Nil	-	Nil	-		
	At the end of the year				6450	Negligible		
10	Santanu Ray							
	At the beginning of the year		Nil	-				
	Date wise Increase / Decrease in shareholding during the year		Nil	-	Nil	-		
	At the end of the year				Nil	-		
11	Probir Roy							
	At the beginning of the year		Nil	-				
	Date wise Increase / Decrease in shareholding during the year		Nil	-	Nil	-		
	At the end of the year				Nil	-		
12	Mamta Binani							
	At the beginning of the year		Nil	-				
	Date wise Increase / Decrease in shareholding during the year		Nil	-	Nil	-		
	At the end of the year				Nil	-		
13	J P Dua							
	At the beginning of the year		Nil	-				
	Date wise Increase / Decrease in shareholding during the year		Nil	-	Nil	-		
	At the end of the year				Nil	-		

Sl. No	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reasons for increase / decrease
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
14	Vijay Chhibber					
	At the beginning of the year	Nil	-			
	Date wise Increase / Decrease in shareholding during the year	Nil	-	Nil	-	
	At the end of the year			Nil	-	
15	Sunil Mitra					
	At the beginning of the year	Nil	-			
	Date wise Increase / Decrease in shareholding during the year	Nil	-	Nil	-	
	At the end of the year			Nil	-	
16	Debanjan Mandal					
	At the beginning of the year	Nil	-			
	Date wise Increase / Decrease in shareholding during the year	Nil	-	Nil	-	
	At the end of the year			Nil	-	
17	Arun Kumar Julasaria					
	At the beginning of the year	11054	Negligible			
	Date wise Increase / Decrease in shareholding during the year	Nil	-	11054	Negligible	
	At the end of the year			11054	Negligible	
18	Sundeeep Jhunjhunwala					
	At the beginning of the year	Nil	-			
	Date wise Increase / Decrease in shareholding during the year	Nil	-	Nil	-	
	At the end of the year			Nil	-	

V. INDEBTEDNESS

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

₹ in Lac

Sl.	Particulars	Secured Loans excluding deposits	Unsecured Loan	Deposits	Total Indebtedness
1	Indebtedness at the beginning of the financial year				
	I) Principal Amount	46591.38	5300.00	-	51891.38
	II) Interest due but not paid	-	-	-	-
	III) Interest accrued but not due	131.38	-	-	131.38
	Total (I+II+III)	46722.76	5300.00	-	52022.76

₹ in Lac

Sl.	Particulars	Secured Loans excluding deposits	Unsecured Loan	Deposits	Total Indebtedness
2	Change in Indebtedness during the financial year				
	Addition	8504.99	9615.92	-	18120.91
	Reduction	(39400.20)	(5300.00)	-	(44700.20)
	Net Change	(30895.21)	4315.92	-	(26579.29)
3	Indebtedness at the end of the financial year				
	I) Principal Amount	15696.17	9615.92	-	25312.09
	II) Interest due but not paid	-	-	-	-
	III) Interest accrued but not due	131.38	-	-	131.38
	Total (I+II+III)	15827.55	9615.92	-	25443.47

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

₹ in Lac

Sl.	Particulars of Remuneration	Name of MD/WTD/ Manager								Total amount
		Sajjan Bhajanka (CMD)	Sanjay Agarwal (MD)	Hari Prasad Agarwal (WTD)	Prem Kumar Bhajanka (MD)	Vishnu Khemani (MD)	Keshav Bhajanka (WTD)	Ajay Baldawa (WTD)	Nikita Bansal (WTD)	
1.	Gross salary									
	(a) Salary as per provisions contained in section 17(1) of the Income- Tax Act, 1961	120.00	120.00	60.00	120.00	120.00	50.00	240.00	24.00	854.00
	(b) Value of perquisites u/s 17(2) of the Income-Tax Act, 1961	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of the Income-Tax Act, 1961	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
4.	Commission									
	- as % of profit	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	-others, specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (A)	120.00	120.00	60.00	120.00	120.00	50.00	240.00	24.00	854.00
	Ceiling as per the Act									2682.79
	Limit as per approval of shareholders									5365.58

* Limit as per approval of shareholders- 4551.58 Lac

B. Remuneration to other Directors:

₹ in Lac

Sl.	Particulars of Remuneration	Name of Directors								Total amount
		Mangi Lal Jain	Santanu Ray	Mamta Binani	J P Dua	Vijay Chhibber	Sunil Mitra	Debanjan Mandal	Probir Roy	
1	Independent Directors									
	• Fee for attending Board / Committee meetings	4.50	4.25	4.75	2.50	2.50	2.00	1.00	2.00	23.50
	• Commission	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	32.00
	• Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total(1)	8.50	8.25	8.75	6.50	6.50	6.00	5.00	6.00	55.50
2	Other Non-Executive Directors									
	• Fee for attending Board / Committee meetings	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	• Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	• Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total(B)=(1+2)	8.50	8.25	8.75	6.50	6.50	6.00	5.00	6.00	55.50
	Total Managerial Remuneration									886.00#
	Overall Ceiling as per the Act									2951.07
	* Limit as per approval of shareholders									5633.86

excluding fee for attending Board / Committee meetings

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

₹ in Lac

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Chief Financial Officer	Company Secretary	Total
1.	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	145.67	37.62	183.29
	b) Value of perquisites u/s 17(2) of the Income-Tax Act, 1961	Nil	Nil	Nil
	c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission			
	- as % of profit	Nil	Nil	Nil
	- others, specify.	Nil	Nil	Nil
5.	Others, specify	Nil	Nil	Nil
	Total	145.67	37.62	183.29

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no Penalties/ Punishment/ Compounding of offences for breach of any provisions of the Companies Act, 2013 against the Company or its Directors or other officer in default, during the year.

For and on behalf of the Board of Directors

Sajjan Bhajanka

(DIN: 00246043)

Chairman and Managing Director

Kolkata, 26th June, 2020

ANNEXURE 10

Disclosure of the particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY

(I) THE COMPANY ADOPTED THE FOLLOWING MEASURES TOWARDS CONSERVATION OF ENERGY:

- Energy meters installed at all location to monitor/control for power optimum utilisation.
- Auto control capacitor panels installed for maintaining power factor as per norms.
- All high capacity motors (>15HP) are now hooked to VFD (Variable Frequency Drive) to maintain optimum load thereby minimizing mechanical wear and tear of machine parts, avoid heat loss and save power.
- Replacement of inefficient Boiler Feed Pump cartridges and attending Boiler Feed Pump recirculation valves based on high SEC
- Energy efficient coating done on pump internals of Cooling Water / other large water pumps
- Old compressors replaced with energy efficient (VFD Based) screw compressors
- Installation of solar water heaters
- Optimization of operation of water pumps & Cooling Tower Fans during part load operation and during low ambient temperature conditions.
- Installation of new energy efficient motors (IE3) at resin plant and WBS machine for saving energy.
- Restoring and upgrading thermal insulation and replacement of TFH, Dryer, Hot Press, etc. to reduce loss of thermal energy.
- Replaced of multiple manual fired thermic fluid heater with single auto fired ones to reduce energy consumption.
- Installation of timer-controlled pneumatic valves in different areas where energy got wasted in the form of compressed air used round the clock in PB line for cleaning purpose in critical areas.
- Installation of energy efficient dryer at plywood division replacing the old one which saves up to 25 kW/hr.
- Installation of new technology oriented seasoning chamber resulting in decreased power consumption.
- Installation of sky light sheet which enabled to switch off the lighting system during day time.
- The electric distribution network is periodically analysed for corrective and proactive measures to optimise energy usage, ensuring an effective and efficient system of energy distribution.
- Yearly energy audit is conducted and recommendations are implemented to obtain optimum utilisation.
- Installation of electrical parameters for monitoring of different sections for power control.
- Installation of grid-connected roof top Solar PV systems
- Installation of turbo vents to improve air circulation without

electrical energy.

- Resin plant floor washing waste water are being reused in resin preparation.
- Resin formulations changed to avoid vacuum distillation thus no effluent water is discharged.
- Installation of wet scrubbers for air pollution control installed in lamination plant.
- Rain water harvesting—all rain water collected and stored.
- Installation of STP plant, which has reduced consumption of precious ground water. The treated water is used for watering the greenery in the plant premises.
- Installation of LED lights and phasing out conventional Tube Lights/Sodium/Mercury Halogen lights, resulting in power savings.
- Exploring Concentrated solar thermal (CST) technologies for heating water or other thermic fluids by concentrating solar energy for process heat applications in industries by integrating it with an existing boiler/heating system

(II) THE STEPS TAKEN BY THE COMPANY FOR UTILISING ALTERNATE SOURCES OF ENERGY:

- Installation of solar roof-top panels on factory sheds for generation of power thereby substantially reducing dependence on fossil fuels and emission of carbon dioxide.
- Started usage of wind power energy resulting in substantial savings in cost.
- Increased the turbo vents for better air circulation without electrical energy.

(III) ADDITIONAL INVESTMENTS INCLUDING CAPITAL INVESTMENTS ON EQUIPMENT AND PROPOSALS, IF ANY:

Investments, wherever required, for conservation of energy are proactively made by the Company. The Company has a continuous process to monitor and explore ways and means for conservation of energy. Investment of ₹5.50 crore on energy plant is underway at the Company's particle board unit in Chennai to increase overall energy production. Inefficient oil heaters have been replaced with high capacity energy plant at an investment of ₹7 crore which has the advantage of consistency in oil temperature, reduction in manpower engagement, increase in production capacity of veneer dryer and substantial reduction in fuel consumption because of efficient burning and utilization of heat energy.

The Company also completed installation of solar panel equipment across all its works with an installed capacity of 6 MWat an aggregate capex of ₹28 crore out of which ₹5 crore was spent in FY 2019-20.

B. TECHNOLOGY ABSORPTION

(I) EFFORTS MADE TOWARDS TECHNOLOGY ABSORPTION:

- The Company is carrying out in-house research to develop new and better products and also to improvise the quality of existing

products.

- The Company is regularly trying to increase usage of environmentally safe ingredients in its products.
- To avoid 22mm plywood production which was happening because of manual error, ply layer counters have been installed in assembling line..
- The Company is working to control/reduce formaldehyde emission from plywood and HPL by improved glue formulation.
- Installed core composer machines to produce Zero-gap plywood.
- Installation of 8 feet glue spreaders to increase production and improve quality.
- Installation of auto chain D. D. Saw for smooth and accurate cutting of boards with reduction in manpower and increase in productivity.
- Installation of fully automatic high speed impregnators at laminate division resulting in increased productivity in addition to saving of energy and manpower.
- Installation of air filter at AC room of laminate division has improved the quality of air by filtration up to 5 micron (melamine dust particles)
- Use of software I-DEAC (MIND INFO TECH) for generating independent Q R Code for each board to counter duplicity of Company's products.
- Correction module has been installed to control board density across width.
- Manufacturing process/parameters are continuously monitored and modified wherever required to ensure better productivity both in terms of quantity and quality.
- Collaboration with different research laboratories for development of innovative products.
- Introducing Nano Technology shortly in Plywood and

Laminates to produce Fire Retardant properties, currently under development.

- Developed new resin manufacturing technology to avoid vacuum distillation at final stage to avoid liquid effluent discharge.
- Setting up a quality assurance cell to ensure the dispatch of only goods produced under strict process control with specific standard notifications from the factory.
- Participating in national and international conferences, seminars and exhibitions.
- Analysing feedback from users to improve products and services.

(II) BENEFITS DERIVED:

- Improved product quality and quantity
- Cost reduction, technology up-gradation
- Reduction in manufacturing time
- Customer satisfaction by delivery of diversified range of products
- Better utilisation of resources through improved processes

(III) DETAILS OF IMPORTED TECHNOLOGY:

The Company has not imported technology during the last three years and wherever required, the Company takes guidance from technical experts as well as from suppliers of machinery within India.

(IV) EXPENDITURE ON R&D:

During the year under review, the Company has not incurred any specific and material capital/recurring expenditure on research and development. Research and Development is carried out in-house using the existing manufacturing setup. The Company is a member of Indian Plywood Industries Research and Training Institute (IPIRTI) and has contributed ₹2,55,044 to it. The technologies used by the Company are indigenous.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

₹ in Crore

Earnings on account of:	2019-20	2018-19
FOB value of exports	104.99	96.67
Total	104.99	96.67
Outgo on account of:		
a) Raw materials	257.56	356.22
b) Capital goods	1.90	15.07
c) Traded goods	26.62	81.36
d) Stores and spare parts	6.08	9.11
e) Transit Stock	16.04	7.68
f) Services	0.13	1.32
g) Travelling expenses	0.38	0.60
h) Interest	6.26	8.53
i) Others	0.88	0.76
Total	315.85	480.65

For and on behalf of the Board of Directors

Sajjan Bhajanka

(DIN: 00246043)

Chairman and Managing Director

Kolkata, 26th June, 2020

Management Discussion and Analysis

INDUSTRY STRUCTURE AND DEVELOPMENTS

INDIAN ECONOMIC OVERVIEW

The Indian economy slowed down to 11-year low of 4.2% in Financial Year 2019-20, compared to 6.1% in Financial Year 2018-19. Retail inflation climbed to a six-year high of 7.59% in January, 2020, breaching the Reserve Bank of India's (RBI) upper band of 6% while settling at 5.91% in March, 2020. The Wholesale Price Index (WPI) inflation stood at 1% at the year end and the core inflation hardened in a sustained manner from a historic low of 3.4% in October, 2019 to 4.3% in January, 2020. The nominal exchange rate (the Indian rupee or INR vis-à-vis the US dollar) exhibited sizable two-way movements during October-December 2019. The INR came under intensified and sustained depreciation pressures beginning mid-January, reflecting a generalized weakening of emerging market currencies amidst flights to safety. Accordingly, the baseline assumes an average of INR 75 per US dollar.

The combined expenditure of Central and State Governments exceeded revenues, translating into a greater level of public debt-to-Gross Domestic Product (GDP) ratio. At around 69% of GDP for the Financial Year 2019-20, India's public debt was relatively large in comparison with other major emerging market economies.

The Monetary Policy Committee under RBI reduced the policy repo rate to 4.40% from 6.25% in Financial Year 2018-19 to mitigate the risks arising amidst the deteriorating economic conditions. Crude oil prices softened to reach US\$51 per barrel in March while the price of Brent crude crashed to US\$23 per barrel in late March 2020.

With food inflation hitting 14% in December 2019, rural India was among the worst hit by the current economic slowdown. Growth in nominal rural wages, both for agricultural and non-agricultural labourers, remained subdued averaging around 3.4% and 3.3%, respectively, during Financial Year 2019-20 (up to January 2020) mainly reflecting a continued slowdown in the construction sector. The nominal per capita net national income was estimated at ₹135,050 in Financial Year 2019-20, up 6.8% from ₹126,406 in Financial Year 2018-19. The Government's fiscal deficit widened to 4.6% against the revised target of 3.8% because of low GST and custom collection along with declining revenues caused by a cut in corporate tax rates.

The share of Gross Fixed Capital Formation (GFCF) in GDP dropped to 30.2% in Financial Year 2019-20 from 31.90% a year ago. The gross fiscal deficit of 22 states increased to 2.9% of their Gross State Domestic Product (GSDP) in Financial Year 2019-20 from the budgeted 2.5%. The deviation was mainly caused by lower revenue

– both own and central transfer – due to the slowdown in economic activity, which, in turn, induced states to cut both revenue and capital expenditure in an adverse feedback loop that weakened aggregate demand.

India emerged as the fifth-largest world economy in 2019, overtaking the UK and France with a GDP of \$2.94 trillion. India jumped 14 places to 63 in the 2020 World Bank's Ease of Doing Business ranking, riding on reforms in seven areas and a substantial bump-up from the insolvency law rolled out in 2016. The country climbed 79 positions in the past five years and was among the top 10 performers for the third year running. India moved down 10 places to rank 68th on the annual global competitiveness index, largely due to improvements by other economies.

The outbreak of COVID-19 and the subsequent lockdown are expected to moderate aggregate demand and to create economic challenges. Along with some major economies around the world India was bound to be affected not only because of its domestic slowdown but also because of international recession. India's estimated gross domestic product (GDP) for the fourth and final quarter of FY2019-20 fell to 3.1 per cent which indicated the initial impact of COVID 19 on the economy. To mitigate the reality, the Government announced the Prime Minister Gareeb Kalyan scheme worth ₹1.7 trillion, providing relief to the poor and migrant workers through measures like direct cash transfer to farmers, increased wages under MGNREGA scheme and the utilisation of welfare funds for construction workers. The Government also announced an economic package of ₹20 Lakh Crore, benefitting the MSME segment, agrarian sector and provision for free rations to migrant workers.

The intensification of social distancing measures is expected to lead to supply side as well as demand side shocks. Supply chain disruptions could hurt domestic production in sectors dependent on imported inputs like pharmaceuticals, autos, chemicals, power, etc. Disruption to the services sector could affect sectors like transportation, hotels and entertainment – as containment measures limit travel. Fiscal and monetary stimulus measures undertaken by the Government and Central Bank are expected to provide reasonable support to the economy. Despite linkage with global economies, India's macroeconomic situation remains considerably strong as compared to other emerging economies. Falling crude oil prices are expected to favor the Balance of Payment situation. Benign inflation that allows room for monetary easing and comfortable forex reserves levels could add to the economy's resilience. In a new set of measures to mitigate the impact of coronavirus lockdown on the economy, the RBI reduces the repo rate by 40 basis points from 4.4% to 4% and the reverse repo rate reduced by 40 basis points from 3.75% to 3.35 %.

GROWTH OF INDIA'S GDP IN FINANCIAL YEAR 2019-20

	Q1, FY20	Q2, FY20	Q3, FY20	Q4, FY20
Real GDP growth (%)	5.2	4.4	4.1	3.1

KEY GOVERNMENT INITIATIVES

National infrastructure pipeline: To achieve a GDP of US\$ 5 trillion by 2025, the Government announced National Infrastructure Policy with an investment plan worth ₹102 trillion in five years.

Corporate tax relief: Indian companies were unable to compete globally, with the cost of capital and corporate income tax (CIT) being significantly higher than overseas competitors. In view of this, the Government slashed the corporate tax rate to 22% from 30% to promote investment, subject to condition they will not avail any incentive or exemptions. Further, in order to boost the Make-in-India initiative, a new tax rate of 15% has been introduced for newly set up domestic, manufacturing companies. The new effective CIT would be 25.17%, inclusive of a new lower surcharge of 10% and cess of 4%. India's CIT is now closer to the worldwide average statutory CIT of 23.03%.

Economy relief package: To counter the challenges arising owing to the COVID-19 outbreak, the Government of India announced a relief package worth ₹20 lakh crore.

INDIAN PLYWOOD SECTOR OVERVIEW

The manufacture of plywood involves assembling thin layers of wood veneers bonded together using powerful adhesives. Softwoods, hardwoods, or a combination of the two, is used, such as several varieties of Gurjan, Keruing, Eucalyptus, Poplar and Beech among others in the production of plywood for various applications. Usually, softwood plywood sheets are designed for exterior application on a structure. The hardwood plywood is used in the production of furniture and other interior applications. In India, plywood is popular for its use in furniture manufacturing, accounting for two-thirds of the wood consumption. The latest IMARC Group report finds that the Indian plywood market is valued at US\$ 4.5 billion in 2019.

The furniture market in the past few years witnessed strong growth owing to strong GDP growth leading to a growth in per capita income, increasing urbanization, growing nuclearisation, higher investments in real estates, greater access to global lifestyle trends owing to higher accessibility to internet. With the entry of organized players, introduction of new and latest designs have also helped in creating strong demand among consumers in the country. Besides

increase in consumption in the Tier II and III markets have also impacted the growth of the furniture market positively. Driven by these realities, the market is expected to grow to US\$ 5.9 billion by 2025.

India has always been a predominantly plywood consuming country. The ratio of plywood versus other panels (MDF, particle boards) demand in India is 80:20 where as it is almost the opposite (20:80) in developed and mature markets. However, unavailability of certain raw material for plywood manufacturing is expected to adversely impact manufacturing cost is expected to be one of the key factors to act as a barrier to the growth of the India plywood industry.

LAMINATES MARKET

The laminates manufacturing sector is expected to see a lower number of new plants in 2019. With reports of many struggling plants and brands and few already closed, the decorative laminates industry is set to consolidate in 2019. With a change in management and growing number of plants on sale, capacity addition could almost freeze, leading to market stability and consolidation.

The size of the laminates and decorative veneers market in India was pegged at ₹7,000 crore with the unorganised players accounting for a ~30% share of the market.

The growth of the industry can be attributed to a number of reasons, the major reason being people shifting from remote rural areas to urban clusters. Supported by a growing economy and rising household disposable incomes there has been a growth in the demand for furniture and modern wooden products. The low and affordable housing projects supported by the Government of India are expected to drive furniture demand. Reforms in the taxation system with the implementation of Goods and Service Tax (GST), a declining price difference between the organized and unorganized sectors could catalyse the laminates market.

MEDIUM DENSITY FIBER-BOARD (MDF) MARKET IN INDIA

With the rise in awareness and application of MDF, there has been a sizeable growth in the consumption of MDF in India. Thanks to designers using MDF in different applications, the category is growing at 22% annually despite odds. With the present installed capacity of 2400 cbm per day, the Indian MDF market is pegged at around ₹1800 crore. The market is also populated by imports from Thailand, Vietnam, Malaysia, Indonesia, Australia and New Zealand among others. With the organized furniture sector reporting growth, it is expected that the demand for MDF will grow further. The price of MDF boards remains under check thanks to over supply. The overall MDF capacity utilization in India has improved marginally in the last

few months. India is likely to add MDF production capacity of 1500 cubic meters per day from Financial Year 2020-21. India Ratings and Research (Ind-Ra) believes that the overcapacity in the MDF industry could persist till Financial Year 2021-22 at least. The Government has supported the MDF industry by levying an anti-dumping duty up to US\$ 64.35 per CBM on imports of thick MDF till July 2021 from China, Indonesia, Sri Lanka, Malaysia, Thailand and Vietnam, which have together accounted for a major proportion of India's thick MDF imports.

Further, India consumes huge quantity of thin MDF (below 6 mm) because of its increasing applications and usages. Its demand grew multifold during the last four years. Thin MDF is a suitable all-rounder substrate for multiple applications in surface decor, unique creative design in furniture, routing and other surfacing requirements. The commencement of new lines in thin MDF manufacturing segment will boost the prospects for 'Make in India' at the same time it will require more wood resource for such industries.

FURNITURE MARKET IN INDIA

Engineered wood furniture is gradually gaining popularity in Indian cities. This is largely driven by a rise in demand for ready to assemble furniture in cities. The convenience of buying from the e-commerce platforms is also driving the growth of modular and multifunctional furniture for home decoration and convenience purposes. India's furniture market is multiplying and expected to be valued more than US\$ 27 Billion by 2023.

Key factors for the growth of India's furniture market comprise a growing middle-class population, rising disposable income and the increasing number of urban households. Small and unorganized local players dominate the market even as organized players are emerging (like IKEA). The growth of the market is also driven by the tourism, hospitality and corporate sector.

KEY GROWTH DRIVERS OF INDIA'S WOOD PANEL INDUSTRY

Population growth: India is the second most populous country with a population of 1.36 billion, creating a large market for wood panel products.

Demographics: India has the largest population of youth in the world with 66% of the population aged below 35 years and a median age of ~28 years compared to a global average age of 30 in 2019. This large young population is expected to drive real estate consumption and drive the demand for wood panel products.

Rising per capita income: The nominal per capita net national income in 2019-20 was estimated at ₹134,226, a rise of 6.09% as

compared to ₹1,26,521 in 2018-19, thereby increasing purchasing power.

Pradhan Mantri Awas Yojana: The Government of India launched the Housing for All scheme under the Pradhan Mantri Awas Yojana (PMAY) in June, 2015. Pradhan Mantri Awas Yojana-Gramin (PMAY-G) and Pradhan Mantri Awas Yojana-Urban (PMAY-U) are two important schemes for achieving the target of housing for all by 2022. During the period 2014-20, more than 34 lakh houses were built under PMAY -U (as on 8th June 2020) and more than 1.05 crore houses were completed under PMAY-G. The Government approved under the scheme to over 1 crore houses in the urban region.

Booming real estate: The real estate market is expected to grow from US\$ 120 billion in 2017 to US\$ 1 trillion by 2030 and is expected to contribute 13% to India's GDP. Real estate attracted around US\$ 6.26 billion of investments in 2019.

Increasing commercialisation: The office leasing volume in India grew 27% y-o-y to an all-time high of 60.6 million square feet in 2019, indicating a robust commercialization across the country. This is expected to drive furniture demand in the country.

Growth of online platforms: The online furniture sales, which is just a fraction of the total furniture sales, is expected to report strong growth, driven by increasing internet and smartphone penetration in the country. This is expected to boost demand for the engineered wood panel products.

Hotel industry: India's hotel market is projected to grow from around US\$7.5 billion in 2019 to US\$16.8 billion by 2025, exhibiting a CAGR of nearly 15% during the forecast period. The growing industry requires higher room inventory which in turn is expected to catalyse the wood panel industry.

Growing replacement demand: With disposable income in India is increasing, improving the standard of living of the people. There has been increasing trend among people in adopting the modern ways of living. This has resulted in the shortening of the furniture replacement cycle which has in turn led to an increase in the demand for wood panel products.

Urbanization: India's urban population, currently over 34% of the total population, is expected to reach 40% by 2030 and cross 50% by 2050. Increased migration to urban areas and the population growth would require increased number of residential spaces which in turn is also expected to drive the demand for furniture.

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS (SWOT)

STRENGTHS

- *Present in India with superior macroeconomic prospects
- *A wide range of product portfolio servicing various kinds of customer segments
- *Well-penetrated distribution channel ensuring product availability
- *Strong brand presence enjoying leadership in the organized market
- *Present in diverse product segment, making it a one-stop shop for panel products
- *Strategically located plants enabling it service pan-India markets with ease
- *High-entry cost specifically for the MDF business

OPPORTUNITIES

- *Shift from unorganized to organized sector post GST implementation
- *Growing per capita income
- *Increased in demand for engineered wood products
- *A growing young population
- *Increased penetration of the organized furniture sector
- *Low per capita consumption

WEAKNESSES

- *Highly competitive market especially in the lower segment from the unorganized players
- *Decision making still influenced by influencers like architects, carpenters among others
- *Oversupply in the MDF is putting margins under pressure

THREATS

- *Cheaper products availability
- * Non- availability of some raw materials
- *Tight control over raw materials from neighboring countries
- *Prevailing competition from the unorganized sector
- *Overcapacity in the MDF industry
- *Increase in raw material prices

LOGISTICS INDUSTRY OVERVIEW

Strong growth prospects supported by government reforms, transportation sector development plans, growing retail sales, and the burgeoning e-commerce sector are likely to be the key drivers of the logistics industry in India. After being awarded infrastructure status in 2017, investment inflows into the sector was made easier. It's expected the sector will employ up to 40 million people by the end of 2020. The logistics market in India is forecasted to grow at a CAGR of 10.5% between 2019 and 2025. Increasing investments and trades point toward a healthy outlook for the Indian freight sector. Port capacity is expected to grow at a CAGR of 5% to 6% by 2022, thereby, adding a capacity of 275 to 325 MT. Indian Railways aims to increase its freight traffic from 1.1 billion tons in 2017 to 3.3 billion tons in 2030. Freight traffic on airports in India has the potential to reach 17 million tones by FY40.

Despite these encouraging numbers, the sector continues to be challenged by the cost of transportation. Currently, the Indian logistic cost is about 14% of GDP, considerably higher compared to logistic costs in developed countries, impacting India's global competitiveness. The sector is dominated by transportation, comprising 85% share in terms of value, followed by warehousing.

In Budget 2020, the Finance Minister declared release the National Logistics Policy, clarifying the role of the Union Government, State

governments and key regulators. The policy would create a single window e-logistics market and focus on generation of employment, skills and make MSMEs competitive. The aim is to reduce the logistics cost from 14% of the GDP to less than 10% by 2022.

The Indian logistics sector provides livelihood to more than 22 million people and improving the sector will facilitate 10% decrease in indirect logistics cost, leading to a growth of 5 to 8% in exports. Further, it is estimated that the worth of Indian logistics market would be around US\$215 billion in the next two years, compared to about US\$160 billion at present.

OUTLOOK

The COVID-19 pandemic has caused an unprecedented global recession with adverse consequences on unemployment and poverty. Rolling lockdowns and social distancing restrictions on account of the pandemic are expected to significantly impact economic activity in all major markets, and cause demand compression. Despite the threat posed by COVID-19 pandemic, the Company apprehends to retain a competitive position in the market by leveraging its brand image and quality products. Further, based on the latest report of UNCTAD it is expected that the course correction of economic recovery in India will be smoother and faster than that of many other advance countries.

SEGMENTAL OVERVIEW

Plywood	Laminates	MDF	Particle boards	Logistics
*Revenue at ₹1,234.29 crore, a de-growth of 3% over 2018-19	*Revenue at ₹463.34 crore, a growth of 6% over 2018-19	*Revenue at ₹ 350.52 crore, a growth of 19 % over 2018-19	*Revenue at ₹99.11 crore, a growth of 2 % over 2018-19	*Revenue at ₹86.50 crore, a de-growth of 16% over 2018-19
*Maintained market leadership	*Introduced new designs during the year under review	*Capacity utilisation at 82 %	*capacity utilisation at 116% against 107 % in 2018-19	*EBITDA margin increased to 33.8% against 32.4% in 2018-19
*Introduced new products				

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE, FINANCIAL YEAR 2019-20

REVIEW OF THE FINANCIALS

Centuryply followed the accrual basis of accounting under the historical cost convention, except for certain financial assets measured at fair value as described in accounting policies regarding financial instruments. Its accounts were prepared in accordance of Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules 2014 and comply with the Companies (Indian Accounting Standards) (Ind AS) Rules, 2015.

BALANCE SHEET

- Total Borrowings including buyers' credit for FY2019-20 stood at ₹253.12 crore compared to ₹518.91 crore during FY2018-19
- Total net fixed assets for FY2019-20 stood at ₹721.10 crore compared to ₹728.60 crore in FY2018-19
- Net worth stood at ₹1069.71 crore as on 31st March 2020 compared to ₹965.45 crore as on 31st March 2019, an increase of 11 %.
- Inventories decreased by 12% from ₹400.97 crore as on 31st March 2019 to ₹354.10 crore as on 31st March 2020.

PROFIT & LOSS STATEMENT

- Revenues from operations increased 1% from ₹2263.83 crore in FY2018-19 to ₹2282.68 crore in FY2019-20
- EBITDA increased to ₹315.18 crore in FY2019-20 compared to ₹306.42 crore in FY2018-19
- Profit after tax remained flattish and was ₹158.17 crore in FY2019-20
- Depreciation and amortisation stood at ₹67.55 crore in FY2019-20 compared to ₹49.99 crore in FY2018-19

KEY FINANCIAL RATIO- SIGNIFICANT CHANGES AND EXPLANATIONS

Ratio	FY2019-20	FY2018-19
Debtors Turnover (Days)	41	47
Inventory Turnover	57 (30 days for raw material and 27 days for finished goods)	65 (36 days for raw material and 29 days for finished goods)

Ratio	FY2019-20	FY2018-19
Interest Coverage Ratio	6.65 times	5.75 times
Current Ratio (with short term borrowings)	1.49	1.32
Debt Equity Ratio	0.18	0.48
Operating Profit Margin (%) (EBIT Margin)	10.85%	11.30%
Net Profit Margin (%) / PAT	6.90%	7.00%
Return on Net Worth/ Average Equity	15.49%	17.58%
EBITDA Margin	13.80%	13.50%
Earnings per share (₹)	7.12	7.15
Fixed Asset Turnover Ratio	3.13	3.03
Return on Average capital employed	17.60%	17.88%

There has been a change of more than 25% in Debt Equity Ratio in FY 2019-20 as compared to FY 2018-19 due to prepayment of loan in FY 2019-20. Apart from this, there has not been a change of 25% or more in any of the aforesaid key financial ratios.

RISKS AND CONCERNS RISK MANAGEMENT

Risks are integral part for a business to grow. However, effective risk management is fundamental to the business activities of a company. Effective risk management comprises reducing the element of surprise, improve services, ensure proactive change management, source resources efficiency, optimize utilisation levels, prevent leakages and reduce wastages. While we remain committed to increasing shareholder value by developing and growing our business within our board-determined risk appetite, we are mindful of achieving this objective in line with the interests of all stakeholders. The Risk Management process evaluates each risk associated with various business transactions and undertakes effective mitigation strategies to minimize impact.

We seek to achieve an appropriate balance between risk and achievements in our business, and continue to build and enhance the risk management capabilities that assist in delivering our growth plans in a controlled environment. Risk management is at the core of the operating structure of the Company. We seek to limit adverse

variations in earnings and capital by managing risk exposures within agreed levels of risk appetite.

Our risk management approach includes minimising undue concentrations of exposure, limiting potential losses from stress events and ensuring the continued adequacy of all our financial resources.

Responsibility and accountability for risk management resides at all levels within the company, from the Board down through the organisation to each business manager and risk specialist.

RISK MANAGEMENT PROCESS



RISK IDENTIFICATION

The Company identifies risks through appropriate systems and indicators (quantitative component). Besides, its inbuilt reporting protocol makes it possible for the executives to report risks as and when they perceive.

RISK ASSESSMENT AND EVALUATION

The Company prioritizes the identified risks against its strategy and risk appetite. The Company continuously strengthens its risk evaluation tools pertaining to each business function and compares the results developed by its risk model with those

recommended by supervisory authorities and prevailing industry standards.

RISK REPORTING

The Company periodically reports the effectiveness of our risk management to our Risk Management and other Committees covering category-wise risk and the overall risks. We recognise that this can potentially generate early alerts that make it possible to engage proactively in initiatives to counter the risks.

RISK MITIGATION

Risks to achieving business objectives are key inputs to the formulation and

development of strategy and business planning. The Company identifies the key strategies and develops and implements measures and strategies to mitigate the specific risks in an effective way.

RISK MONITORING

Mitigation plans are finalized, supervisors are identified and the progress of mitigation actions are monitored and reviewed. The Risk Management Committee periodically examines the scope and effectiveness of mitigation plans and provides feedback to mitigation teams.

OUR PRINCIPAL RISKS AND MITIGATION MEASURES

Key risks	Explanation	Mitigation measures
Economy	The Company's performance could be adversely affected in the event of economic slowdown.	India's economy slowed down to 4.2% in 2019-20, yet the Company reported a 1 % revenue increase and PAT remained flat, signifying robustness of the business model. Also increasing consumer focus towards owning homes and Government's focus on boosting real estate demand is expected to drive the business.
Human capital	There is always a requirement of skilled and talented manpower to look after day-to-day operations.	The Company defined career paths to ensure talent retention and offered best compensation packages in the industry. The Company reported decent employee retention more than 95% as on March 31, 2020.
Finance / Funding risk	Rising interest rates could affect the Company's profitability.	The Company is able to raise further capital at a very low rate of interest, owing to timely repayments of debt. The Company's debt equity stood at 0.18 as on March 31, 2020 and the interest coverage ratio improved from 5.75x in 2018-19 to 6.65x in 2019-20.

Key risks	Explanation	Mitigation measures
Regulatory & compliance	Frequently changing regulatory requirements and inability to comply with the same, norms could result in penalties being levied.	The Company is an ethical player, responding with a sense of governance. Over the years, the governance has reflected in complete alignment with the certification and compliance needs of its business, no injury related to operations, workplace safety, commitment to customer interests and addressing statutory obligations.
Product	Products may not be accepted by the market and also inconsistent quality would steal the market share.	The Company is respected in the industry. The Company was the first in the country to introduce borer-proof plywood. Also, the Company's superior product quality ensures steady offtake.
Innovation	Inability to introduce new and innovative products could lead to slowdown in growth.	The Company's in house R&D team works on a continuous basis to improve quality of product and its properties. The Company was the first in India to introduce innovative products like borer-resistant, termite-resistant, water-proof and fire-proof plywood. The Company has popularised revolutionary products like particle boards, MDF, value-added decorative laminates, doors and fibre cement boards among others, in India.
Competition	An increasing number of players could intensify competition and impact market share.	The Company possesses extensive scale, strong brand recall and operational efficiency, enabling the Company to become a strong competitor. Century's quality emphasis has translated into enhanced competitiveness.
Customer attrition	Losing customers could impact revenues and profits.	Centuryply is among the handful players within the industry to offer five to lifetime years of warranty for plywood. This increases the confidence of the consumers on the company.
Geography	Dependence on any particular geography could impact the Company's performance owing to a slowdown in a particular geography.	The Company's products enjoy PAN-national availability through 30 marketing offices covering 630 cities and townships, addressing 2100 dealers and over 25000 retailers. Also, the Company enjoys strong presence in several countries.
Raw material	Volatile raw material costs could impact business.	The Company's manufacturing units are proximate to sources of raw material and it also procures raw materials directly from suppliers at competitive price. Sufficient stock of utilities is maintained to ensure continuous supply.

Key risks	Explanation	Mitigation measures
Logistics	Improper logistics management could impact the Company's operations.	The Company's well-structured logistics management processes starting from raw material procurement to final product delivery to customers, ensuring smooth operations. Centuryply has more than 2100 dealers across the country selling its products. The Company's products are available in most cities and towns of the country.
Quality	Lower product quality and weak manufacturing efficiency could impact revenues.	The company is respected for its enduring and consistent quality. The Joka plant, an ISO 9001-certified unit, was the first plywood manufacturing facility in India to be correspondingly certified. The Company is also ISO14001-certified, validating its environment friendly practices.
Forex fluctuations	Volatility in currency valuations could impact the bottom-line.	The Company manages the currency risk by monitoring exposures and then hedging the forex exposure. The Company avails overseas buyers' credit, on a case-to-case basis to benefit from extended credit periods as well as manage long-term fluctuations.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Centuryply understands that to drive sustainable growth, quality human resource is necessary. The Company has created an enabling working environment where employees are regularly trained and provided with superior career growth opportunities. During the year, the Company organised training programmes in different areas such as technical skills, behavioural skills, business excellence, general management, advanced management, leadership skills, customer orientation, safety, values and code of conduct. Besides, the Company enjoys harmonious relationship with its factory workers. The Company has a rich blend of millennial and experienced employees. The Company's employee strength stood at 6,704 as on 31st March 2020.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has put in place an effective internal control system which undergoes continuous review. Additionally, corrective measures are taken to enhance efficiency levels, if and when required. The Company has been accredited with ISO 9001 and

ISO 14001 certifications, indicating the keen emphasis it has laid on quality management and ecofriendly processes. The Company's SAP-based ERP system has been upgraded to SAP HANA which offers inexhaustible possibilities to define queries for detection of exceptions and/or detection of deviating transactions, real-time analytics on transactional data, unmatched flexibility when changing reporting structures and even instantaneous simulation of business scenarios.

CAUTIONARY STATEMENT

The statements in the 'management discussion and analysis' section describing the Company's objectives, projections, estimates and prediction may be considered as forward looking statements. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market positioning, expenditures and financial results are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statement on the basis of any subsequent developments, information or events.

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY CORPORATE GOVERNANCE

The roots of your Company's Corporate Governance philosophy are stranded on four concepts, i.e., Accountability, Transparency, Sustainability and Social Responsibility. Your Company believes that in this competitive world of business, its survival can be ensured only by adherence to good corporate governance practices not only in letter but also in spirit. Your Company's philosophy of corporate governance is underpinned by its ethical practices adopted in dealing in a fair manner with all stakeholders including creditors, distributors, customers, employees, the society at large, governments and even competitors are dealt with in a fair manner. Your Company upholds Corporate Governance practices by going beyond the regulatory compliances imposed statutorily. Your Company recognizes that adherence to ethical practices and displaying a commitment to ethical conduct is rewarded with better relations between business and the stakeholders. Further, the Corporate Governance of your Company is strengthened by the creation of an ethical climate in the organization by the well documented policies and code of conduct adopted by the Company.

Your Company is committed to fulfilling its long term strategic goals after taking into account the interest of stakeholders and ensuring proper compliance of all the applicable legal and regulatory requirements. Your Company as a part of its Corporate Governance measure regularly monitors and oversees various corporate systems of the Company in such a manner that corporate reliability, reputation are not put at stake. Your Company rests on the values of 'People development', 'quality', 'trust', 'integrity' and 'customer focus'. Imbibing these values in the business conduct of the organization enhances the long term shareholder value, while keeping the interests of all stakeholders in view. The Company endeavors to uphold the principles and practices of Corporate Governance to ensure transparency, integrity and accountability in its functioning which are vital to achieve its vision of "Sarvada Sarvottam, - The Best Always."

In keeping with the above commitments and philosophies, your Company has been upholding the core values of entire system of governance practices by which the Company is managed and monitored in a transparent manner. These practices define the way business is conducted and value is generated. We consider it our inherent responsibility to protect the rights of our shareholders and disclose timely, adequate and accurate information regarding our financials and performance, as well as the leadership and governance of the Company.

BOARD OF DIRECTORS

The Directors on the Board of the Company assume legal responsibility towards the Company resources and they also hold

a fiduciary duty towards shareholders. Keeping the above in view, your Company believes that it is imperative to have eminent persons on its Board having diversity of thought, experience, knowledge, perspective and gender. As a part of your Company's good Corporate Governance practice, your Company ensures that the Directors on the Board contribute constructively to attain sustainable success without compromising on integrity and independence. Your Company is managed by the Board of Directors in co-ordination with the Senior Management team who conduct themselves in such manner to meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture of good decision-making.

COMPOSITION

The Company has an optimal balance of skill, experience, expertise and diversity of perspectives on its Board, suited to the requirements of the businesses of the Company. The Composition of the Board of Directors as on 31st March, 2020 is in conformity with the provisions of Section 149 of the Companies Act, 2013 and Regulation 17(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The composition of the Board represents an optimal mix of professionalism, knowledge and experience. This enables the Board to discharge its responsibilities and provide effective leadership to the business. The Board of Directors consists of an optimum combination of Executive and Non-Executive Directors with half of the Board comprising of Independent Directors. Inclusion of two women Directors further imparts a balance to the Board Processes.

As on 31st March, 2020 and on the date of this report, the Board consists of sixteen Directors headed by an Executive Chairman. There are eight Executive Directors (including four Managing Directors) and eight Non-Executive Independent Directors, all of whom are persons of eminence, bringing in a wide range of expertise and experience to the Board functioning. Detailed profile of our Directors is available on our website: www.centuryply.com.

The Company had framed a Policy on Board Diversity which sets out the approach to diversity on the Board of the Company. The Board reviews its strength and composition from time to time to ensure that it remains aligned with the statutory as well as its business requirements. A Succession Plan is also in place and the same is being reviewed periodically by the Board to ensure leadership continuity.

DIRECTORSHIPS, COMMITTEE MEMBERSHIPS/ CHAIRMANSHIPS AND ATTENDANCE AT MEETINGS

As required under Regulations 26 of the Listing Regulations and relevant provisions of the Companies Act, 2013, your Company

has received from all the Directors necessary disclosures regarding directorships/ committee memberships occupied by them in other listed entities and unlisted public limited companies. Details of each member of the Board as on 31st March, 2020 including their category,

attendance at Board Meetings held during 2019-20 and at the last Annual General Meeting along with the number of directorships in listed and other companies and Committee membership(s)/ chairmanship(s) are detailed below:

DETAILS OF DIRECTORS

Sl.	Name	DIN	Designation	Category	No. of Board Meetings attended	Attendance at the last AGM held on 4 th September, 2019
1	Sri Sajjan Bhajanka	00246043	Chairman & Managing Director	Promoter - Executive	4	Yes
2	Sri Hari Prasad Agarwal	00266005	Vice Chairman & Executive Director	Promoter - Executive	4	Yes
3	Sri Sanjay Agarwal	00246132	CEO & Managing Director	Promoter - Executive	3	Yes
4	Sri Prem Kumar Bhajanka	00591512	Managing Director	Promoter - Executive	2	No
5	Sri Vishnu Khemani	01006268	Managing Director	Promoter - Executive	3	No
6	Sri Keshav Bhajanka	03109701	Executive Director	Promoter - Executive	4	No
7	Smt. Nikita Bansal	03109710	Executive Director	Promoter - Executive	4	Yes
8	Sri Ajay Baldawa	00472128	Executive Director	Executive-Non-Independent	3	Yes
9	Sri Mangi Lal Jain#	00353075	Director	Independent- Non-Executive	4	Yes
10	Sri Santanu Ray	00642736	Director	Independent- Non-Executive	4	Yes
11	Smt. Mamta Binani	00462925	Director	Independent- Non-Executive	4	No
12	Sri J. P. Dua	02374358	Director	Independent- Non-Executive	4	No
13	Sri Vijay Chhibber	00396838	Director	Independent- Non-Executive	4	No
14	Sri Debanjan Mandal	00469622	Director	Independent- Non-Executive	2	No
15	Sri Sunil Mitra	00113473	Director	Independent- Non-Executive	3	Yes
16	Sri Probir Roy	00033045	Director	Independent- Non-Executive	3	Yes

Sri Mangi Lal Jain ceased to be Independent Director in the Company w.e.f. 1st April, 2020 upon completion of his second term as Independent Director on 31st March, 2020.

* Sri Amit Kiran Deb has been appointed as an Additional Director in the Independent category with effect from 1st April, 2020

Sl.	Name	No. of Directorship in			Membership(s) [including Chairmanship(s)] of Board Committees\$
		Listed Indian Companies (other than Century Plyboards (India) Ltd.) and category of Directorships	Unlisted Indian Public Limited Companies*	Others**	
1	Sri Sajjan Bhajanka	1. Star Cement Ltd. (Exec.) 2. Shyam Century Ferrous Ltd. (Non-exec.)	4	7	4
2	Sri Hari Prasad Agarwal	--	7	6	3
3	Sri Sanjay Agarwal	1. Star Cement Ltd. (Exec.) 2. Linc Pen & Plastics Ltd.(Indp.)	4	7	1
4	Sri Prem Kumar Bhajanka	1. Star Cement Ltd. (Exec.)	4	2	-
5	Sri Vishnu Khemani	--	1	1	-

Sl.	Name	No. of Directorship in			Membership(s) [including Chairmanship(s)] of Board Committees\$
		Listed Indian Companies (other than Century Plyboards (India) Ltd.) and category of Directorships	Unlisted Indian Public Limited Companies*	Others**	
6	Sri Keshav Bhajanka	--	5	3	-
7	Smt. Nikita Bansal	--	1	-	1
8	Sri Ajay Baldawa	--	7	1	-
9	Sri Santanu Ray	1. Star Cement Ltd. (Indp.) 2. La Opala RG Ltd. (Indp.) 3. SKP Securities Ltd. (Indp.) 4. Shyam Century Ferrous Ltd. (Indp.) 5. Genesis Exports Ltd. (Indp.) 6. Bharat Road Network Ltd. (Indp.)	3	-	9 (including 3 as Chairman)
10	Smt. Mamta Binani	1. KKalpana Industries (India) Ltd. (Indp.) 2. GPT Infraprojects Ltd. (Indp.) 3. Skipper Ltd.(Indp.) 4. La Opala RG Ltd. (Indp.)	2	-	6 (including 1 as Chairman)
11	Sri J. P. Dua	1. Skipper Ltd. (Indp.)	2	-	2
12	Sri Vijay Chhibber	1. Dilip Buildcon Ltd.(Indp.)	1	4	-
13	Sri Debanjan Mandal	1. Industrial and Prudential Investment Co. Ltd. (Indp.) 2. Spencer's Retail Ltd.(Indp.)	4	2	5
14	Sri Sunil Mitra	1. Dollar Industries Ltd.(Indp.) 2. Texmaco Rail & Engineering Ltd. (Indp.) 3. CESC Limited (Indp.) 4. Firstsource Solutions Ltd. (Indp.)	5	-	6
15	Sri Probir Roy	1. Duroply Industries Ltd. (Indp.) 2. Industrial and Prudential Investment Company Ltd. (Indp.)	3	-	4 (including 1 as Chairman)
16	Sri Mangi Lal Jain#	1. Star Cement Ltd. (Indp.) 2. Shyam Century Ferrous Ltd. (Indp.)	5	-	7 (including 4 as Chairman)

(Indp.- Independent; Exec.- Executive)

Sri Mangi Lal Jain ceased to be Independent Director in the Company w.e.f. 1st April, 2020 upon completion of his second term as Independent Director on 31st March, 2020.

* Includes Directorships in private companies that are either holding or subsidiary company of a public company.

** Includes Directorships in private limited companies (other than private companies that are either holding or subsidiary company of a public company), companies under Section 8 of the Companies Act, 2013, Alternate Directorships, Directorship/Memberships of Managing Committees of various Chambers/Institutions/Universities and excludes Directorships in foreign companies and dormant companies.

\$ includes membership of Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not and excludes Private Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013. Chairmanship of these Committees in only Listed Public Limited Companies considered.

As per the provisions of Section 165 of the Companies Act, 2013 read with Rules framed thereunder, none of the Directors hold office of a Director in more than twenty Companies including ten Public Companies and Private Companies that are either Holding or Subsidiary of a Public Company. Further, as per Regulation 26 of the Listing Regulations, none of the Directors is a Member of more than ten Committees or Chairperson of more than five committees, across all the companies in which he/ she is a Director. In accordance of Regulation 17A of the Listing Regulations, none of the Directors on the Board held Directorship in more than eight listed entities during the financial year 2019-20 and in more than seven listed entities thereafter. None of the Director on the Board serves as an

Independent Director of more than seven listed entities across all entities in which he/she is a Director. Additionally, none of the Managing Director/ Whole-time Director of the Company is serving as an Independent Director of more than three listed entities across all entities in which he/she is a Director. None of the Independent Directors of the Company serve as non-independent director of any other Company on the Board of which any Non-Independent Director of our Company is an Independent Director.

DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE

None of the Directors of the Company are related inter-se, except for

Sri Keshav Bhajanka, Executive Director who is the son of Sri Sajjan Bhajanka, Chairman and Managing Director and Smt. Nikita Bansal, Executive Director who is the daughter of Sri Sanjay Agarwal, CEO & Managing Director.

BOARD MEETINGS & PROCEDURE

The Board of Directors plays a pivotal role in ensuring good Governance. The contribution of Directors on the Board is critical to the way a corporate conducts itself. They are the apex body for overseeing the Company's overall functioning. The Company's aim of creating long-term value for the Company's stakeholders is managed and monitored under the strategic direction, leadership and guidance of the Board of Directors. The Board is cognizant of the fact that the Board of Directors represent the interests of the Company's shareholders and they hold fiduciary duty of optimizing their long-term value by providing the Company with proper guidance and strategic vision. Your Board of Directors acts on a fully informed basis and performs its duties with care, skill, diligence and independence of judgment. Your Directors function in accordance with the powers delegated under the Companies Act, 2013, Listing Regulations, Memorandum & Articles of Association and other guidelines issued by the Government of India from time to time, as may be applicable to the Company. While discharging their responsibilities, your Directors ensure that the management adheres to ethics, transparency and disclosures.

Board Meetings serve as forum for Board decision making by enabling discussions on matters placed before the Directors and facilitating decision making based on their collective judgment. The Board meets at regular intervals to discuss, inter-alia, businesses to be approved at meetings of the Board. Generally, the Board of Directors meets at least once in every quarter and also as and when required. The intervening gap between any two meetings held during the financial year ended 31st March, 2020 is not more than one hundred and twenty days. Meetings are usually convened by giving advance Notice for the Board Meetings, in compliance with Secretarial Standard on Meeting of the Board of Directors (SS-1) issued by the Institute of Company Secretaries of India, to facilitate the Directors to plan their schedules and to ensure meaningful participation at the meetings. However, to address any urgent needs, sometimes Board meetings may also be called at a shorter notice subject to observance of statutory provisions. In case of urgency, resolutions are also passed through circulation, if permitted under the statute, which is noted and confirmed at the subsequent Board meeting. The Chairman of the Board and Company Secretary, in consultation with other concerned members of the senior management, finalise the agenda for Board meetings. Every Board Member is free to suggest

items for inclusion in the Agenda. All major agenda items are backed by comprehensive background information facilitating meaningful, focused and informed Board decisions. Presentations, wherever required, are also made at the Board meetings by the respective executives on the matters related to them. Any item not included in the Agenda is taken up for consideration before the Board with the permission of the Chairman and with the consent of majority of Directors present in the meeting. The Board is apprised of all major events/items and decisions together with the overall performance of the Company. Information as required under Regulation 17(7) read with Part A of Schedule II to the Listing Regulations is also made available to the Board, wherever applicable, for their consideration. As and when required, senior executives are invited to provide additional inputs at the Board meeting for the items being discussed by the Board of Directors. The Board periodically reviews compliance reports of all laws applicable to the Company.

All the discussions and decisions taken at meetings of the Board are entered in the Minute Book. As prescribed under SS-1, draft minutes are circulated to the Directors within fifteen days from the date of the meeting and suggestions or comments, if any, received from them are suitably incorporated therein in consultation with the Chairman. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting and are usually signed by the Chairman of the succeeding meeting

BOARD MEETINGS HELD DURING THE YEAR

Four Board Meetings were held during the Financial Year ended 31st March, 2020. These were held on 27th May, 2019, 9th August, 2019, 8th November, 2019 and 3rd February, 2020. One meeting of the Board was held in every quarter and the time gap between any two consecutive meetings did not exceed 120 days. The Board also passed resolution by circulation once on 13th February, 2020.

KEY BOARD QUALIFICATIONS, SKILLS, EXPERTISE AND ATTRIBUTES

Centuryply believes that the collective effectiveness of the Board is the key to success in growing businesses. The Board of your Company comprises of adequate number of Directors with such skills, knowledge, experience, expertise and competencies that will serve best to the governance and strategic needs of the Company.

As stipulated in Schedule V of the Listing Regulations, the Board of Directors have identified the core skills/expertise/competencies, required in context of the Company's business and sector for it to function effectively and those actually available with it, are summarised below:

KEY ATTRIBUTES/ AREAS OF EXPERTISE AND THEIR DESCRIPTION

Industry knowledge	Experience in and knowledge of the industry in which the Company operates and competitive landscape.
Leadership & Management	Extended leadership resulting in a practical understanding of the Company's processes, strategic planning, developing talent, succession planning and driving change and long-term growth.
Financial & Accounting	Proficiency in financial management, capital allocation, and financial reporting processes together with the ability to read and comprehend the financial statements.
Technical, Operations & Information Technology	Technical/ professional skills, specialised knowledge to assist with ongoing aspects of the Board's role and acceptance for digitisation, backed by thorough understanding of the operations of the Company

Industry knowledge	Experience in and knowledge of the industry in which the Company operates and competitive landscape.
Behaviour & Equanimity	Effectiveness to use their knowledge and skills to function as team members; ability to remain calm, composed and collected, even under stressful or difficult circumstances; ability to work through disagreements in a productive manner thereby fostering positive working environment within the boardroom.
Global business	Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures, and regulatory frameworks, and a broad perspective on global market opportunities
Risk Management and Legal	Experience in managing areas of major risk to the organisation; understanding of significant issues faced by the industry and the organisation, changing technology and emerging risk areas; overseeing compliance with applicable laws as well as understanding an individual Director's legal duties and responsibilities
Corporate Strategy & Arrangements	Focus on strategic planning, experience in acquisitions and other business combinations, with the ability to assess 'build or 'buy' decisions and assessing operational integration
Board Governance & Ethics	Insights on Board and management accountability, protecting shareholder interests, observing appropriate governance practices and upholding moral values
Sales and Marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity and enhance enterprise reputation

The identification of the core skills of individual Directors not only assist in ascertaining the specialisation of each Director but also helps in identifying the gaps in core skill required for effective functioning of the Company. Further, based on identified shortcomings, need based training can be provided to the Directors to ensure that they remain abreast of all developments, which otherwise may adversely impact their performance. The specific areas of focus or expertise

of individual Board members have been highlighted in the table below. Absence of a tick mark (✓) against a Director's name only indicate that he/ she may not be having an expertise in the stated attribute or skill. It is important to acknowledge that not all Directors would possess each necessary skill, but the Board as a whole must possess them. It is also to be acknowledged that competencies are not static and need to be continually updated.

Name of Director	Key attributes/ areas of expertise									
	Industry knowledge	Leadership & Management	Financial & Accounting	Technical, Operations & Information Technology	Behaviour & Equanimity	Global Business	Risk Management and Legal	Corporate Strategy & Arrangements	Board Governance & Ethics	Sales and Marketing
Sri Sajjan Bhajanka	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sri Hari Prasad Agarwal	✓	✓	✓	✓	✓	-	✓	✓	✓	✓
Sri Sanjay Agarwal	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sri Prem Kumar Bhajanka	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sri Vishnu Khemani	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sri Keshav Bhajanka	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Smt. Nikita Bansal	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sri Ajay Baldawa	✓	✓	✓	✓	✓	✓	✓	-	✓	-
Sri Mangi Lal Jain #	✓	✓	✓	✓	✓	-	✓	✓	✓	-
Sri Santanu Ray	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Smt. Mamta Binani	✓	✓	✓	✓	✓	✓	✓	✓	✓	-
Sri J. P. Dua	✓	✓	✓	✓	✓	-	✓	✓	✓	-
Sri Vijay Chhibber	✓	✓	✓	✓	✓	-	✓	-	✓	✓
Sri Debanjan Mandal	✓	✓	✓	✓	✓	-	✓	✓	✓	-
Sri Sunil Mitra	✓	✓	✓	✓	✓	✓	✓	✓	✓	-
Sri Probir Roy	✓	✓	✓	✓	✓	✓	✓	✓	✓	-
Sri Amit Kiran Deb @	-	✓	✓	✓	✓	✓	-	✓	✓	-

Sri Mangi Lal Jain ceased to be Independent Director in the Company w.e.f. 1st April, 2020 upon completion of his second term as Independent Director on 31st March, 2020.

@ Sri Amit Kiran Deb has been appointed as an Additional Director in the Independent category with effect from 1st April, 2020

SEPARATE MEETING OF INDEPENDENT DIRECTORS

Separate meetings of the Independent Directors without the presence of Executive Directors or management representatives provides an opportunity to Independent Directors for exchanging valuable views and to raise issues to the Chairman through the Lead Independent Director. One such meeting of the Independent Directors of the Company was held on 3rd February, 2020 and was attended by all the Independent Directors of the Company except Sri Debanjan Mandal, who was unable to attend the Meeting due to certain urgent pre-occupation and had sought leave of absence.

As required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25(4) of the Listing Regulations, at the said meeting, the Independent Directors inter-alia, reviewed the performance of the Non-independent Directors, the Board as a whole and that of its Committees. They also reviewed the performance of the Chairman of the Company, after taking into account the views of Executive Directors and Non-executive Directors. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees that is necessary to effectively and reasonably perform and discharge their duties..

DIRECTORS' INDUCTION AND FAMILIARIZATION

In terms of Regulation 25(7) of the Listing Regulations and Schedule IV of the Companies Act, 2013, your Company has in place a structured familiarisation Programme for orientation and training of the Independent Directors at the time of their joining so as to familiarise them with the business and operations of the Company, nature of the industry in which the Company operates, and their roles, rights, responsibilities in the Company. The programme is designed to enable the Independent Directors to play a meaningful role in the overall governance processes of the Company. The provision of an appropriate induction programme for new Directors and ongoing training for existing Directors is a major contributor to the maintenance of high Corporate Governance standards of the Company.

At the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities as a Director. Company's profile, brief profile of all Directors, Investor Presentation and relevant Board Policies are also shared with them. A detailed note on familiarization programme undertaken for Independent Directors is included elsewhere in this Annual Report.

Details of familiarization programme imparted to Independent Directors and the terms and conditions of appointment of Independent Directors have also been disclosed on the website of the Company at https://www.centuryply.com/investor-information/Familiarisation-Programme-Details_2019-20.pdf and <https://www.centuryply.com/investor-information/Terms-and-Conditions-of-appointment-of-Independent-Directors.pdf> respectively.

SUCCESSION PLANNING

In terms of Regulation 17(4) of the Listing Regulations, the Nomination and Remuneration Committee works with the Board on the leadership succession plan for orderly succession in the appointments of the Board of Directors and Senior Management. By integrating workforce planning with strategic business planning, the Company deploys necessary financial and human resources to meet its objectives. Succession planning and elevation within the organization, fuel the ambitions of its talent force, to earn future leadership roles.

As the Company move through various stages of life cycle and build growth strategies to deal with changing business environments, the issue of leadership becomes critical and with it, the related issue of succession. The succession strategy of your Company essentially look ahead and plan appropriately to ensure that there is continuity and the right kind of leadership in the business, both at executive and Board level through a process of proper identification and nurturing of individuals for taking over senior management positions.

PERFORMANCE EVALUATION AND CRITERIA

In accordance with the 'Board Evaluation Policy' of the Company as laid down by the Nomination and Remuneration Committee and adopted by the Board, the Independent Directors at their separate Meeting held on 3rd February, 2020, collectively reviewed the performance of the non-independent Directors, the Board as a whole and that of its Committees. At the said Meeting, they also reviewed the performance of the Chairman of the Company, after taking into account the views of Executive Directors and Non-executive Directors. Further, the Nomination and Remuneration Committee at its Meeting also held on 3rd February, 2020 carried out evaluation of performance of all the Independent Directors of the Company.

Thereafter, the consolidated Evaluation Report was discussed at the Meeting of the Board held on 3rd February, 2020. The Board, after taking into consideration the evaluation exercise carried out by the Nomination and Remuneration Committee and by the Independent Directors, carried out an evaluation of its own performance and that of its Committees. The individual performance of all Directors (including the Independent Directors) was also carried out by the entire Board without the presence and participation of the Director being evaluated. All evaluations were carried out through structured questionnaires designed specifically for the Board/ Committees/ Individual Directors covering inter-alia the following parameters and criteria-

A. BOARD EVALUATION-

- Size, structure and expertise of the Board;
- Development of suitable strategies and business plans at appropriate time and its effectiveness;
- Implementation of robust policies and procedures;
- Oversight of the Financial Reporting Process, including Internal Controls;

- Willingness to spend time and effort to learn about the Company and its business; and
- Awareness about the latest developments in the areas such as corporate governance framework, financial reporting, industry and market conditions.

B. BOARD COMMITTEE EVALUATION-

- Committee composition, culture and dynamics;
- Independence of working;
- collective judgment and contribution to Board decisions;
- Fulfillment of key responsibilities.

C. INDIVIDUAL DIRECTOR'S EVALUATION (INCLUDING INDEPENDENT DIRECTORS)-

- Leadership & stewardship abilities;
- Participation and constructive contribution at Board / Committee meetings;
- Communication of expectations and concerns;
- contributing to clearly define corporate objectives & plans;
- Identification, monitoring and mitigation of significant corporate risks;
- Assessment of policies, structures and procedures;
- Adherence to ethical standards and code of conduct of Company.

Besides this, the Independent Directors were additionally evaluated on the basis of effective deployment of their knowledge and expertise and independence of behaviour and judgment.

INFORMATION REGARDING THE DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT

Resume and other information as required under Regulation 36 of the Listing Regulations and Para 1.2.5 of Secretarial Standard on General Meetings (SS-2), in respect of Directors retiring by rotation and seeking appointment /re-appointment forms a part of Notice convening the ensuing Annual General Meeting.

CHANGES IN DIRECTORSHIPS DURING THE FINANCIAL YEAR 2019-20 AND THEREAFTER

The first term of Sri Vijay Chhibber (DIN: 00396838) as Independent Director of the Company expired on 31st January, 2020 and that of Sri Sunil Mitra (DIN: 00113473) and Sri Debanjan Mandal (DIN: 00469622) as Independent Directors of the Company is due to expire on 31st July, 2020. The Board of Directors at its meeting held on 9th August, 2019, after considering the recommendations of the Nomination and Remuneration Committee and on the basis of the report of performance evaluation of Independent Directors and their respective consents, recommended reappointment of Sri Vijay Chhibber for a second term from 1st February, 2020 to 31st January, 2025, that of Sri Sunil Mitra and Sri Debanjan Mandal from 1st August, 2020 to 31st July, 2025, as Independent Directors on the Board of the Company and the same was approved by the Shareholders, by way of Special Resolution at their Annual General Meeting held on 4th

September, 2019.

Pursuant to recommendation of Nomination & Remuneration Committee, the Board of Directors at its meeting held on 3rd February, 2020, appointed Sri Amit Kiran Deb (DIN- 02107792) as an Additional Director in the Independent category, not liable to retire by rotation, with effect from 1st April, 2020 for a term up to 30th September, 2023, subject to regularisation/ approval of the shareholders of the Company, in place of Sri Mangilal Jain (DIN: 00353075), who ceased to be Independent Director in the Company upon completion of his second term as Independent Director on 31st March, 2020.

DIRECTORS' RESPONSIBILITIES

The Directors are a bridge between the Company and Stakeholders and they hold fiduciary duties towards stakeholders. The Board as a whole is entrusted with the management of the Company's business and is responsible for making strategic and operational decisions for the Company which determines its long term future prosperity and protect its assets and reputation. Directors play an important role in imbibing values and ethics in the Company. As a Director, they are responsible for ensuring that the Company meets its statutory obligations. Your Company is headed by an effective Board to lead and steer the Company to attain desired goals. The role and responsibility of a Director in a company are multifaceted. Your Directors abide by the duties, roles and responsibilities as laid down in the Companies, Act, 2013, Listing Regulations and other applicable statutes.

ROLE OF COMPANY SECRETARY IN GOVERNANCE AND COMPLIANCE PROCESS

The Company Secretary is an important member of the corporate management team and acts as conscience keeper of the Company. He is responsible for ensuring compliance with statutory and regulatory requirements and for ensuring that decisions of the Board of Directors get communicated and implemented across the organisation. The Company Secretary acts as a vital link between the Company and its Board of Directors, shareholders, government and regulatory authorities. He ensures that the Board procedures are followed and regularly reviewed and provides guidance to Chairman and the Directors on their responsibilities under various laws. Providing support goes beyond scheduling meetings to proactively managing the agenda and ensuring the presentation of high quality up-to-date information in advance of meetings. Even the Board understands that the Company Secretary is a "go-to" person to respond to any queries. He acts as the shareholders' first point of contact with the Company for resolving their grievances and complaints, thereby maintaining healthy investor relations. He also acts as the first point of contact for the non-executive directors by providing them induction, ongoing support and guidance.

Developing and implementing processes to promote good corporate governance has fallen largely within the ambit of the Company Secretary. The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Company

Secretary attends all the meetings of the Board and its Committees and ensures appropriate recording of minutes of the meetings.

COMPLIANCE

The Company Secretary of the Company, as a governance professional, has a significant role in enforcing a compliance framework to safeguard the integrity of the organisation and to promote high standards of ethical behavior. In terms of Regulation 6 of the Listing Regulations, the Company Secretary of the Company also acts as the Compliance Officer. Apart from ensuring compliances, he also acts as an in-house legal counsel to advise the Board and the functional departments of the company on various corporate, business, economic and tax laws.

The Company Secretary is responsible for ensuring compliance with applicable statutory requirements and regulations, primarily the Companies Act, 2013, Rules thereunder and the Listing Regulations. The Company Secretary establishes and regularly monitors the compliance mechanism in place to carry out effective and timely compliance of relevant laws, rules and regulations. In accordance with Section 205 of the Companies Act, 2013, the Company Secretary reports to the Board regarding compliance with the provisions of the Companies Act, 2013, the rules made thereunder and other laws applicable to the Company. The Company Secretary also coordinates with Stock Exchanges and Depositories to ensure compliance with their Rules, Regulations and other directives. All Directors of the Company have access to the advice and services of the Company Secretary. A certificate of statutory compliances duly signed by the Managing Director & CEO and CFO is also placed before the Board at its meetings held during the year under review. The Board of Directors reviews the compliance reports of the laws applicable to the Company as well as instances of non – compliances, if any, together with their possible impact on the Company's business.

COMMITTEES OF THE BOARD

Board Committees are pillars of corporate governance. To enable better management of the Board's time and to allow in-depth scrutiny and focused attention, the Board constitutes various Committees, statutory as well as non-statutory, as a means of improving board effectiveness and efficiency where more focused, specialized and technically oriented discussions are required. Accordingly, the Board through its following Committees closely monitors various areas of business viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. All these Committees are mandated under law and operate within the terms of reference laid down by the Board. Apart from the above, the Board has also set up and laid down terms of reference for the Finance Committee and the Share Transfer Committee.

These Committees undertake a detailed review of items within the framework of delegated authority before it is placed before the Board for its consideration. All decisions and recommendations of the Committees are placed before the Board for information or approval, as required.

MANDATORY COMMITTEES

AUDIT COMMITTEE

The Audit Committee is responsible for the oversight of the quality and integrity of the Company's accounting and reporting practices; controls and financial statements; legal and regulatory compliances; the auditors' qualifications and independence and the performance of Company's internal audit function.

It acts as a liaison between the Board of Directors and the auditors- both external and internal.

The Committee oversees the Management's financial reporting process to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. It assists the Board in fulfilling its responsibilities of reviewing the Company's established systems and processes for internal financial controls and internal audit processes.

The Audit Committee plays a pivotal role in reviewing the Company's financial information, audit and accounting matters, internal controls measures, related party transactions, functioning of whistle blower mechanism, evaluation of internal financial controls and risk management systems and policies.

TERMS OF REFERENCE

Terms of reference of the Audit Committee are in line with the guidelines set out in Regulation 18 read with Part C of Schedule II of the Listing Regulations and Section 177 of the Companies Act, 2013 read with Rules framed thereunder and includes the following:

- i. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Modified opinion(s) in the draft audit report.

- v. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- vi. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- vii. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions of the company with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Valuation of undertakings or assets of the company, wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems;
- xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiv. Discussion with internal auditors of any significant findings and follow up thereon;
- xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit, audit observations as well as post-audit discussion to ascertain any area of concern;
- xvii. Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xviii. Reviewing the functioning of the Whistle Blower mechanism;
- xix. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience, background, etc. of the candidate.
- xx. Reviewing the utilization of loans and/ or advances from/ investment by the Holding Company in the Subsidiary exceeding rupees 100 crore or 10% of the asset size of the Subsidiary, whichever is lower.
- xxi. Reviewing compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively.

COMPOSITION AND ATTENDANCE AT COMMITTEE MEETINGS:

The composition of the Audit Committee, meetings held during the Financial Year 2019-20 and attendance of Members thereat are as under:

Name of Member	Category	Position	Attendance at the Audit Committee Meeting held on			
			27.05.2019	09.08.2019	08.11.2019	03.02.2020
Sri Mangi Lal Jain (till 31.03.2020)	Non –executive Independent	Chairman	√	√	√	√
Sri Santanu Ray	Non –executive Independent	Member [#]	√	√	√	√
Smt. Mamta Binani (till 31.03.2020)	Non –executive Independent	Member	√	√	√	√
Sri Hari Prasad Agarwal	Executive non- Independent	Member	√	√	√	√

Member till 31st March, 2020 and Chairman with effect from 1st April, 2020

* Sri J. P. Dua and Sri Probir Roy were appointed as Members of the Audit Committee with effect from 1st April, 2020

The Audit Committee has been constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of Listing Regulations. All Members of the Audit Committee are financially literate and have accounting or related financial management expertise. Sri Mangi Lal Jain and Sri Santanu Ray are both fellow members of the Institute of Chartered Accountants of India while Smt. Mamta Binani is a fellow member of the Institute of Company Secretaries of India. Sri J P Dua is a seasoned banker with

over 35 years experience in the field of Finance and Sri Probir Roy has an extensive and rich experience in the fields of operations, strategy and risk- management.

The meetings of Audit Committee are also attended by the Chief Executive Officer, Chief Financial Officer and Internal Auditor. The representatives of the Statutory Auditors are permanent invitees to the Audit Committee Meetings. They have attended all Audit Committee Meetings held during the year at which the financial

statements have been placed for review. The Committee also invites senior executives, as it considers appropriate, to be present at the meetings of the Committee. The Company Secretary acts as the Secretary to the Committee. Sri Mangi Lal Jain, Chairman of the Audit Committee was also present at the last Annual General Meeting.

NOMINATION AND REMUNERATION COMMITTEE

The Company has a Nomination and Remuneration Committee which is responsible for addressing competency requirements for the Board and senior management, based on the segment and operations of the Company.

The Committee oversees the Company's nomination process including succession planning for the senior management and the Board and assists the Board in identifying, screening and reviewing individuals qualified to serve as Executive Directors, Non-Executive Directors and Independent Directors consistent with the criteria as stated by the Board in its Remuneration Policy.

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills and experience for the Board as a whole as well as for its individual members with the objective of having a Board with diverse backgrounds and experience and expertise.

The Committee periodically identifies competency gaps in the Board and senior managerial levels, evaluates potential candidates and makes suitable recommendations to the Board. The Committee has the overall responsibility of approving and evaluating the compensation plans, policies and programme for Executive Directors and the Senior Management. The Committee reviews and recommends, as and when required, amendments to policies relating to human resource, succession planning, board diversity and criteria for payment of remuneration. The Nomination and Remuneration

Committee also formulates criteria and specifies the manner for effective evaluation of performance of Board, its Committees and individual Directors. It also conducts the evaluation process as per the Board Evaluation policy.

TERMS OF REFERENCE

The terms of reference of the Nomination and Remuneration Committee is in line with the provisions of Regulation 19 read with Para A of Part D of Schedule II of Listing Regulations and Section 178 of the Companies Act, 2013 and includes the following:

- i. Formulating the criteria for determining qualifications, positive attributes and independence of a Director and recommending to the Board, a Policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- ii. Formulating the criteria and specifying the manner for effective evaluation of performance of Board, its Committees and individual Directors, reviewing its implementation and compliance and also carrying out of such evaluation;
- iii. Devising a policy on Board diversity;
- iv. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommending to the Board their appointment/ removal;
- v. Recommending/ reviewing remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria;
- vi. Recommending to the Board, all remuneration, in whatever form, payable to Senior Management;
- vii. Recommending whether or not to extend or continue the term of appointment of the Independent Directors on the basis of the report on their performance evaluation.

COMPOSITION AND ATTENDANCE AT COMMITTEE MEETINGS:

The composition of the Nomination and Remuneration Committee, meetings held during the Financial Year 2019-20 and attendance of Members thereat are as under:

Name of Member	Category	Position	Attendance at the Nomination and Remuneration Committee Meeting held on		
			27.05.2019	09.08.2019	03.02.2020
Sri Mangi Lal Jain (till 31.03.2020)	Non – Executive Independent	Chairman	√	√	√
Sri Santanu Ray	Non – Executive Independent	Member	√	√	√
Smt. Mamta Binani	Non – Executive Independent	Member	√	√	√

* Sri Vijay Chhibber was appointed as a Chairman of the Nomination and Remuneration Committee with effect from 1st April, 2020

The composition of Nomination and Remuneration Committee conforms to the regulatory requirements mandated by Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. The Company Secretary acts as Secretary to the Committee. Sri Mangi Lal Jain, Chairman of the Committee was also present at the last Annual General Meeting.

REMUNERATION POLICY AND LIMITS

Centuryply's remuneration policy is designed to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent human resources. It is designed to attract, motivate, improve productivity and retain manpower by offering appropriate remuneration packages and benefits. The Policy emphasize on promoting talent and ensuring long term sustainability

of talented managerial persons by creating competitive advantage. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration. The Policy is reviewed periodically to ensure that the pay structures are aligned with the prevalent market conditions and industry standards.

Remuneration of Executive and Non-executive Directors is determined by the Board, on the recommendation of the Nomination and Remuneration Committee, subject to the approval of the Shareholders, where required. All remuneration, in whatever form, payable to Senior Management are also recommended by this Committee. The remuneration of Directors, Key Managerial Personnel and all other employees is based on competency, contribution and commitment demonstrated by them towards the Company.

The remuneration payable to Executive Directors are commensurate with industry standard and are determined after taking into consideration the individual responsibilities shouldered by them, time and effort devoted and the relative performance of the Company to the industry performance. The remuneration paid to Executive Directors is proposed by the Nomination and Remuneration Committee and subsequently approved by the Board of Directors and the shareholders of the Company, whenever required. Annual increments/subsequent variation in their remuneration are approved by the Committee/Board of Directors, within the overall limits approved by the shareholders of the Company.

In addition to salary, the Executive Directors are also entitled to a variable pay in the form of commission on net profit. The commission payable to them is ascertained by the Nomination and Remuneration Committee and approved by the Board each year after taking into account the performance and reasonable ascertainment of profitability of the units/ divisions being looked after by the respective Executive Directors, besides the Company's overall performance and profitability.

In terms of Section 197 of the Companies Act, 2013 read with Rules made thereunder and Regulation 17 of the Listing Regulations, the Independent Non-Executive Directors of the Company are paid such Sitting Fees for attending the meeting of the Board of Directors and of the Committee thereof, as determined by the Board of Directors from time to time. They are also entitled to receive commission as may be recommended by Nomination and Remuneration Committee and subsequently approved by the Board of Directors within the limits prescribed in Section 197 of the Companies Act, 2013 or approved by the Members of the Company. The Independent Directors of the Company are not entitled to participate in Stock Option Scheme, if any, introduced by the Company.

Salient features of the Company's Remuneration Policy and changes therein has been included elsewhere in this Annual Report. The Remuneration Policy is also available on our website at <https://www.centuryply.com/codes-policies/Remuneration-policy.pdf>.

CRITERIA FOR MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS

The Independent Directors play a crucial role in the independent functioning of the Board. With continuous changes in the Corporate

Governance norms, the role and responsibilities of Non-executive Directors and the degree and quality of their engagement with the Board has undergone a substantial change over a period of time. The Non-executive Directors bring in a wider perspective to the deliberations and decision making of the Board which adds value to the Company.

The Company is being hugely benefited from their expertise, advice and inputs. They devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give their valuable advice, suggestions and guidance to the management of the Company from time to time.

The Company believes that the remuneration paid to its Non-executive Independent Directors should be reflective of the size of the Company and complexity of the sector/ industry/ Company's operations and should be consistent with recognised best practices. Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company, taking into consideration the challenges faced by the Company and its future growth imperative.

Contribution of the Non-Executive Directors in Board and Committee Meetings, time devoted by them, participation in strategic decision making, timely guidance to the Board on important policy matters of the Company, performance of the Company and industry practices and benchmarks forms the main criteria for determining payments to Non-Executive Directors.

Criteria for making payments to Non-executive Directors is also available on the website of the Company and can be accessed at: <https://www.centuryply.com/codes-policies/Criteria-for-making-payment-to-the-Non-Executive-Directors.pdf>.

PECUNIARY RELATIONSHIP OF NON-EXECUTIVE DIRECTORS

During the year under review, no pecuniary relationship or transactions of the Non-Executive Directors of the Company vis-à-vis the Company was undertaken, except payment of sitting fees and commission to them and reimbursement of their travelling expenses for the purpose of attending Board/ Committee meeting.

° SITTING FEES

Non-Executive Directors are entitled to a Sitting fee of ₹50,000/- for each meeting of Board and ₹25,000/- for each meeting of Committees thereof attended by them together with reimbursement of reasonable expenses for such participation.

° COMMISSION

The Non-Executive Directors of the Company are entitled to a profit-based commission on an annual basis based on the recommendation of Nomination and Remuneration Committee and approval of the Board in accordance with Remuneration Policy and within the approved statutory limit. Presently a sum of ₹4,00,000/- is paid to each Non-Executive Directors as commission.

DETAILS OF REMUNERATION PAID TO DIRECTORS DURING THE FINANCIAL YEAR 2019-20

Sl. No.	Name of the Director	Designation & Service contract	Salary (₹)	Sitting Fee (₹)	Commission (₹)	No. of shares held as on 31 st March, 2020 [^]
Executive Directors:						
1.	Sri Sajjan Bhajanka	Chairman & Managing Director up to 31.03.2021	1,20,00,000	Nil	Nil@	26214037
2.	Sri Hari Prasad Agarwal	Vice-chairman & Executive Director up to 31.05.2022	60,00,000	Nil	Nil@	2451574
3.	Sri Sanjay Agarwal	CEO & Managing Director up to 30.06.2021	1,20,00,000	Nil	Nil@	24880460
4.	Sri Prem Kumar Bhajanka	Managing Director up to 31.07.2023	1,20,00,000	Nil	Nil@	4672561
5.	Sri Vishnu Khemani	Managing Director up to 31.07.2023	1,20,00,000	Nil	Nil@	12786900
6.	Sri Keshav Bhajanka	Executive Director up to 27.01.2021	50,00,000	Nil	Nil@	500000
7.	Sri Ajay Baldawa	Executive Director up to 30.06.2021	2,40,00,000	Nil	Nil	75000
8.	Smt. Nikita Bansal	Executive Director up to 31.01.2022	24,00,000	Nil	Nil	69200
Non-Executive Directors:						
1.	Sri Mangi Lal Jain*	Independent Director- 2 nd term up to 31.03.2020	--	4,50,000	4,00,000	6450
2.	Sri Santanu Ray	Independent Director- 2 nd term up to 31.03.2021	--	4,25,000	4,00,000	Nil
3.	Smt. Mamta Binani	Independent Director- 2 nd term up to 31.03.2022	--	4,75,000	4,00,000	Nil
4.	Sri J. P. Dua	Independent Director- 2 nd term up to 31.03.2024	--	2,50,000	4,00,000	Nil
5.	Sri Vijay Chhibber	Independent Director- 2 nd term up to 31.01.2025	--	2,50,000	4,00,000	Nil
6.	Sri Debanjan Mandal	Independent Director- 2 nd term up to 31.07.2025	--	1,00,000	4,00,000	Nil
7.	Sri Sunil Mitra	Independent Director- 2 nd term up to 31.07.2025	--	2,00,000	4,00,000	Nil
8.	Sri Probir Roy	Independent Director- 1 st term up to 30.09.2022	--	2,00,000	4,00,000	Nil

* Sri Mangi Lal Jain was Director till 31st March, 2020.

Sri Amit Kiran Deb was appointed as an Independent Director w.e.f. 01.04.2020 till 30.09.2023

^ The Company has not issued any convertible instruments.

@ Voluntarily forgone profit-based commission to which they were entitled.

SERVICE CONTRACTS, SEVERANCE FEE, NOTICE PERIOD AND STOCK OPTIONS

The appointment of the Executive Directors is governed by resolutions passed by the Nomination and Remuneration Committee, Board of Directors and the Shareholders of the Company, the Service Contracts entered in to with them and the Remuneration Policy of the Company, all of which covers the terms and conditions of such appointment. There is no separate provision for payment of severance fee under the resolutions governing the appointment of Executive Directors. A notice of three months

is required to be given by an Executive Director seeking to vacate office and the resignation takes effect upon the expiration of the notice or its earlier acceptance by the Board.

The terms of disengagement of Independent Directors are governed by the formal appointment letters issued to them at the time of their appointment. As required by Regulation 46 of the Listing Regulations, the terms and conditions of appointment of Independent Directors is available on the Company's website and can be accessed at <https://www.centuryply.com/investor-information/Terms-and-Conditions-of-appointment-of-Independent-Directors.pdf>.

During the year under review, none of the Directors were paid any bonus, pension or performance-linked incentive or any other benefits. The Company has no stock option plans and hence such instruments do not form a part of the remuneration package payable to any Executive and/or Non-Executive Director. Further, there was no expenditure debited in the books of accounts, which represent personal expenditure of the Directors and/ or the Top Management.

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

This has been discussed elsewhere in this Report.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee, as its name suggests, oversees various aspects of interest of stakeholders including redressal of shareholders/ investors grievances and complaints, reviews the service standards of the Registrar and Share Transfer Agent of the Company and suggests measures for improving the same.

TERMS OF REFERENCE

The terms of reference of the Stakeholders Relationship Committee is in line with Regulation 20 read with Para B of Part D of Schedule

II of the Listing Regulations and Section 178 of the Companies Act, 2013 and includes the following:

- i. Investor relations and resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- ii. Reviewing measures taken for effective exercise of voting rights by shareholders;
- iii. Reviewing adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar and Share Transfer Agent;
- iv. Reviewing measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;
- v. Evaluating performance and service standards of the Registrar and Share Transfer Agent of the Company;
- vi. Providing guidance and making recommendations to improve service levels for the investors.

COMPOSITION AND ATTENDANCE AT COMMITTEE MEETINGS:

The composition of the Stakeholders Relationship Committee, meetings held during the Financial Year 2019-20 and attendance of Members thereat are as under:

Name of Member	Category	Position	Attendance at the Stakeholders Relationship Committee Meeting held on
			27.05.2019
Smt. Mamta Binani	Non –executive Independent	Chairperson	√
Sri Hari Prasad Agarwal	Executive non-independent	Member	√
Smt. Nikita Bansal	Executive non-independent	Member	√

The composition of the Stakeholders Relationship Committee conforms to the regulatory requirements mandated by Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. The Company Secretary acts as Secretary to the Committee.

COMPLIANCE OFFICER AND STATUS OF PENDING COMPLAINTS

Sri Sundeep Jhunjhunwala, Company Secretary is the Compliance Officer of the Company for attending to Complaints/Grievances of the members. During the Financial Year ended 31st March, 2020, the Company received eighteen complaints from shareholders and all of them were resolved to their satisfaction. There was no complaint pending at the beginning and at the close of the financial year. No complaint was received through SCORES, the web based complaint redressal system of SEBI.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee has been formed to assist the Board and the Company in fulfilling its CSR objectives. The Committee has overall responsibility for identifying the areas of CSR activities, ascertaining and recommending the amount of expenditure to be incurred on the identified CSR activities, implementing and monitoring the CSR policy from time to time and overseeing implementation of the CSR programs of the Company. The Committee also provides guidance to the Company in integrating its social and environmental objectives with its business strategies and assists in crafting unique models to support creation of sustainable livelihoods. The Committee formulates and monitors the CSR Policy and recommends to the Board the annual CSR Plan.

TERMS OF REFERENCE:

The terms of reference of the Corporate Social Responsibility Committee is in line with the provisions of Section 135 of the Companies Act, 2013 read with Rules framed thereunder and includes the following:

- i. To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy and any amendments thereof, indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made there under;
- ii. To recommend the amount of expenditure to be incurred on

the CSR activities as per CSR Policy;

- iii. To monitor the CSR Policy of the Company from time to time;
- iv. To institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company;
- v. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable with respect to Corporate Social Responsibility or as may be necessary or appropriate for implementing the Company's policies thereunder.

COMPOSITION AND ATTENDANCE AT COMMITTEE MEETINGS:

The composition of the CSR Committee, meetings held during the Financial Year 2019-20 and attendance of Members thereat are as under:

Name of Member	Category	Position	Attendance at the CSR Committee Meeting held on
			27.05.2019
Sri Sajjan Bhajanka	Executive non-independent	Chairman	√
Sri Hari Prasad Agarwal	Executive non-independent	Member	√
Sri Mangi Lal Jain (till 31.03.2020)	Non-executive independent	Member	√
Smt. Mamta Binani (till 31.03.2020)	Non-executive independent	Member	√

* Sri Sunil Mitra was appointed a Member to this Committee with effect from 1st April, 2020

The composition of the CSR Committee conforms to the regulatory requirements mandated by Section 135 of the Companies Act, 2013. The Company Secretary acts as Secretary to the Committee.

RISK MANAGEMENT COMMITTEE

Risk is an integral and unavoidable component of business and your Company is committed to managing risk in a proactive manner. Though risks cannot be completely eliminated; an effective risk management plan ensures that risks are reduced, avoided, retained or shared. To have oversight of your Company's risks, the Risk Management Committee of your Company is mandated to review the risk management plan / process of your Company.

The Committee assists the Board in developing, implementing, monitoring and revising the risk management plan and policy for the Company. The Committee periodically reviews key risks to the Company and actions deployed by the Management with respect to their identification, impact assessment, mitigation and monitoring.

Given the challenging and dynamic environment of your Company's operations, strategies for mitigating the inherent risks in accomplishing the ambitious plans for your Company is imperative. The Key Business risk areas identified by your Company includes economic environment and market leadership, inflation and cost of production, legal and compliance with local laws, financial and accounting, information technology and human resource management.

The Company has a Risk Management Policy in accordance with

the requirements of the Companies Act, 2013 and the Listing Regulations to minimise the adverse consequence of risks on business objectives of the Company. The Policy establishes various levels of accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk. With a proactive approach towards addressing the potential risks, your Company is able to convert a risk into an opportunity.

TERMS OF REFERENCE:

The terms of reference of the Risk Management Committee is in line with the provisions of Regulation 21 of the Listing Regulations and includes the following:

- i. Framing, implementing, monitoring and reviewing the risk management plan, systems and framework including cyber security for the Company and ensuring its effectiveness;
- ii. Reviewing the Company's financial and risk management policies;
- iii. Risk assessment and minimization procedures;
- iv. Reviewing and recommending Risk Assessment and Risk Management Report for approval of the Board;
- v. Overseeing recent development in the Company and periodically updating Company's Enterprise Risk Management Program for assessing, monitoring and mitigating the risks;
- vi. Periodically reviewing the adequacy of the Company's resources to perform its risk management responsibilities and achieve objectives;
- vii. Carry out responsibilities as assigned by the Board.

COMPOSITION AND ATTENDANCE AT COMMITTEE MEETINGS:

The composition of the Risk Management Committee, meetings held during the Financial Year 2019-20 and attendance of Members thereat are as under:

Name of Member	Category	Position	Attendance at the Risk Management Committee Meeting held on
			21.01.2020
Sri Sanjay Agarwal	Executive non-Independent	Chairman	√
Sri Keshav Bhajanka	Executive non-independent	Member	√
Sri Arun Kumar Julasaria	Chief Financial Officer	Member	√

The composition of the Risk Management Committee conforms to the regulatory requirements mandated under Regulation 21 of the Listing Regulations. The Company Secretary acts as Secretary to the Committee.

NON-MANDATORY COMMITTEES

SHARE TRANSFER COMMITTEE

The Share Transfer Committee carries out procedural matters and inter alia, approves transmission of shares, sub-division / consolidation / renewal / issue of duplicate share certificates and other allied matters. The Committee is also responsible for issuing share certificates for the purpose of complying with the procedure specified under Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting,

Audit, Transfer and Refund) Rules, 2016 and amendments thereto.

TERMS OF REFERENCE

The terms of reference of the Share Transfer Committee includes the following:

- Oversee, review and approve all matters connected with transfer, transmission, split, consolidation, rematerialisation, etc.;
- Issue of duplicate share certificates in lieu of share certificates lost, defaced or destroyed;
- Issue of share certificates on rematerialisation;
- Issue of new share certificates consequent upon split/consolidation of existing ones;
- Cancellation of share certificates in compliance with the applicable provisions.

COMPOSITION AND ATTENDANCE AT COMMITTEE MEETINGS:

The composition of the Share Transfer Committee, meetings held during the Financial Year 2019-20 and attendance of Members thereat are as under:

Name of Member	Category	Position	Attendance at the Share Transfer Committee Meeting held on				
			24.04.2019	30.05.2019	16.07.2019	09.09.2019	29.01.2020
Sri Hari Prasad Agarwal	Executive non-independent	Chairman	√	√	√	√	√
Sri Keshav Bhajanka	Executive non-independent	Member	X	√	√	√	√
Sri Ajay Baldawa	Executive non-independent	Member	√	√	√	√	√

FINANCE COMMITTEE

The Finance Committee deals with the day to day matters within the terms of reference defined by the Board and ensures their expeditious implementation.

TERMS OF REFERENCE:

Terms of reference of the Finance Committee includes the following:

- To approve the opening of and modification in operation of bank accounts, including closure thereof;
- Borrow money by way of loan (including foreign currency loans) in or outside India for the purpose of financing new projects, refinancing the existing debt, capital expenditure, general corporate purposes including working capital requirements

and possible strategic investments and take necessary actions connected therewith;

- Provide corporate guarantee/performance guarantee from the Company for credit facilities availed by its subsidiaries or by any other entity;
- Approve establishment and operation of representative/sales / branch offices in or outside India;
- Carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable;
- Review and consideration of periodical budgets of the Company and approval of capital expenditures;
- Authorise and empower executives and/or authorised

- representatives in all matters relating to business operations, direct and indirect taxes, commercial taxes, municipal taxes, import and export, customs, port trust, provident fund, ESI, electricity and other utilities and all legal matters of the Company and approve execution of Power of Attorney, as may be required, for this purpose;
- viii. Opening, modification and closure of trading and demat accounts required for securities, derivatives and all other Options;
- ix. Consideration of matters relating to participation in bids/ tenders/ expression of interest and all other business alliances and joint ventures, among others, if any;
- x. Monitoring of loans and advances granted by the Company as approved by the Board of Directors from time to time;
- xi. Undertake and enter into Foreign Exchange Transactions and to transact in Derivative Products including Currency Options, buy and sell Spot and Forward, convert Rupee Liabilities into Foreign Currency Liabilities to hedge Currency and Interest Rate Risks/ Fluctuations in respect of the Company's Export and Import Contracts, Foreign Currency Loans and other Foreign Currency related matters as permitted by Reserve Bank of India from time to time;
- xii. Approve availing of online banking facilities in all forms including but not limited to viewing rights, transaction rights, application for Letters of Credit, Bank Guarantees, Buyers Credit and carry out all trade related transactions through internet;
- xiii. Avail Bill Collection, Bill Payment, Cash Management Services and Financial Intermediary services in all forms and from any Bank;
- xiv. Take decisions in connection with any arrangement, document or matter necessary, ancillary, incidental or desirable to give effect to all its powers and authority;
- xv. Any other financial issues or other matters, whether out of and incidental to these functions or not, as may be assigned by the Board;
- xvi. Delegate authorities from time to time to the executives, officers and other authorised persons to implement the Committee's decisions;
- xvii. Authorise Directors, Officers and other Authorised Persons for execution of necessary documents and affixing Common Seal of the Company, as may be required for implementing decisions taken by the Board or any Committee thereof.

COMPOSITION

The Finance Committee comprises of the following three members:

Sl.	Name	Category	Position
1	Sri Sajjan Bhajanka	Executive non-Independent	Chairman
2	Sri Sanjay Agarwal	Executive non-independent	Member
3	Sri Hari Prasad Agarwal	Executive non-Independent	Member

The Company Secretary acts as Secretary to the Committee.

MEETINGS AND ATTENDANCE

The Finance Committee met six times during the Financial Year ended 31st March, 2020. These meetings were held on 30th April, 2019, 16th May, 2019, 3rd July, 2019, 9th August, 2019, 29th November, 2019 and 14th February, 2020 and were respectively attended by all the three Members.

2. GENERAL BODY MEETINGS

PARTICULARS OF LAST THREE ANNUAL GENERAL MEETINGS:

AGM	Year ended	Venue	Date	Time
36 th	31.03.2017	Satyajit Ray Auditorium, Indian Council for Cultural Relations, 9A, Ho Chi Minh Sarani, Kolkata- 700071	01.09.2017	11-00 AM
37 th	31.03.2018	Gyan Manch, 11 Pretoria Street, Kolkata – 700 071	14.09.2018	11-00 AM
38 th	31.03.2019	Gyan Manch, 11 Pretoria Street, Kolkata – 700 071	04.09.2019	11-00 AM

DETAILS OF SPECIAL RESOLUTIONS PASSED IN LAST THREE ANNUAL GENERAL MEETINGS:

AGM	Date	Subject Matter
36 th	01.09.2017	Re-appointment of Sri Hari Prasad Agarwal (DIN: 00266005), as Vice-chairman and Executive Director of the Company.
37 th	14.09.2018	(i) Re-appointment of Sri Vishnu Khemani (DIN: 01006268), as Managing Director of the Company. (ii) Revision of limits of managerial remuneration.
38 th	04.09.2019	(i) Re-appointment of Sri Vijay Chhibber (DIN: 00396838) as an Independent Director. (ii) Re-appointment of Sri Sunil Mitra (DIN: 00113473) as an Independent Director. (iii) Re-appointment of Sri Debanjan Mandal (DIN: 00469622) as an Independent Director.

EXTRA ORDINARY GENERAL MEETING

During the Financial Year ended 31st March, 2020, no Extra Ordinary General Meeting was convened.

POSTAL BALLOT

During the year under review, the Company has not passed any resolution through Postal Ballot in accordance to the procedure prescribed in Section 110 of the Companies Act, 2013 Act read with the Companies (Management and Administration) Rules, 2014.

PROCEDURE FOLLOWED BY COMPANY FOR CONDUCTING POSTAL BALLOT:

- i. Appointment of Scrutinizer who is not in the employment of the Company.
- ii. Notice of postal ballot along with the explanatory statement to shareholders by following modes:
 - a. By registered post or speed post or,
 - b. Through electronic means like registered email id or,
 - c. Through courier service for facilitating the communication of the assent or dissent of the shareholder to the resolution within period of thirty days.
- iii. Advertisement in one English newspaper and in one vernacular language newspaper in the principal vernacular language of the district in which the registered office of the company is situated.
- iv. Notice should also be placed on the website of the Company.
- v. Declaration of results by the Scrutinizer after following due process.

PROPOSED POSTAL BALLOT:

None of the business proposed to be transacted at the ensuing Annual General Meeting requires passing of resolution through postal ballot. The Company does not have any plans to pass any resolution through postal ballot.

3. DISCLOSURES

■ **Related Party Transactions:** All related party transactions entered into during the Financial Year 2019-20 were at an arm's length basis and were in the ordinary course of business. There were no materially significant transactions, financial or commercial, between the Company and its senior management

or other related parties that may have a potential conflict with the interest of the Company at large. The related party transactions are entered into based on considerations of various business exigencies, such as synergy in operations, commitment of supply, quality standards, specialisation and the Company's long-term strategy for sectoral investments, liquidity and capital resources.

All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion nor vote on such matters. The Register of Contracts containing transactions in which the Directors are interested, is placed before the Board regularly.

Transactions with related parties, as per requirements of Indian Accounting Standard 24, are disclosed in notes to accounts annexed to the Financial Statements.

In terms of Regulation 23 of the Listing Regulations, your Company has in place a 'Policy on Materiality of and dealing with Related Party Transactions' and the same is available on the Company's website at: <https://www.centuryply.com/codes-policies/Policy-on-Materiality-of-and-dealing-with-related-party-transactions.pdf>.

- **Material Subsidiaries:** During the year ended 31st March, 2020, the Company did not have any material listed/unlisted subsidiary company as defined in Regulation 16 of the Listing Regulations. The Company's policy for determining material subsidiaries is disclosed on the Company's website at: <https://www.centuryply.com/codes-policies/CPIL-Policy-on-material-subsiadiary.pdf>.
- **Non-compliance related to capital markets:** During the last three years there has been no instance of non-compliance on any matters related to capital markets. A Compliance Certificate from M/s. MKB & Associates, Company Secretaries, and confirming compliance with the conditions of Corporate Governance, as required under Listing Regulations is annexed to this Report. No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on such matters during the last three years.
- **Compliance with Indian Accounting Standards:** The Company has complied with all relevant Indian Accounting Standards referred to in Section 133 of the Companies Act, 2013

read with Companies (Indian Accounting Standards) Rules, 2015 while preparing the financial statements.

- **Inter-se relationships:** The Directors of the Company are not related inter-se, except for Sri Keshav Bhajanka who is the son of Sri Sajjan Bhajanka, Chairman and Managing Director and Smt. Nikita Bansal, who is the daughter of Sri Sanjay Agarwal, CEO & Managing Director.
- **Details of funds raised:** During the year under review, the Company has not raised any money through an issue (public, rights, preferential, etc.)
- **Mandatory Compliance:** The Company has complied with all the mandatory requirements of the Listing Regulations including those specified in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and sub-para (2) to (10) of Part C of Schedule V of the Listing Regulations.
- **Compliance with Secretarial Standards:** The Company has complied with Secretarial Standards on Board Meetings and General Meeting.
- **Committee recommendation:** The Board of Directors confirms that during the year, it has accepted all recommendations received from its mandatory Committees.
- **Certificate from Practising Company Secretary on qualification of the Board:** The Company has obtained 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 to continue as Directors of any company by SEBI or Ministry of Corporate Affairs or any such statutory authorities. The certificate is annexed separately to this Report.
- **Fees to Statutory Auditors:** Total fees (excluding reimbursement of expenses) for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part was ₹45.35 Lac as per details below:

Particulars	Amount
Services as statutory auditors (including quarterly audits)	35,00,000
Tax Audit and GST Audit	7,50,000
Certification Charges	2,85,000
Total	45,35,000

- **Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

Number of complaints filed during the Financial Year 2019-20	NIL
Number of complaints disposed of during the Financial Year 2019-20	NIL
Number of complaints pending as on the end of the Financial Year 2019-20	NIL

- **Disclosure of commodity price risks and commodity hedging activities:** The same has been discussed elsewhere in this Report.
- **Non-mandatory Compliance:** The status of compliance with discretionary requirements specified in Part E of Schedule II of the Listing Regulations is provided below:
 - a) **Non-Executive Chairman's Office:** The Company has an Executive Chairman and his office is maintained by the Chairman himself.
 - b) **Shareholders' Rights:** As the quarterly, half yearly and annual results of the Company along with significant events are published in the newspapers and also posted on the Company's website, the same are not being sent individually to the shareholders.
 - c) **Modified Opinion in Audit Report:** The Company's Financial Statement for the year ended 31st March, 2020 does not contain any modified audit opinion. The Company always endeavours to present unmodified Financial Statements.
 - d) **Separate posts of Chairman and CEO:** The positions of Chairman and Chief Executive Officer (CEO) are separate. The Chairman of the Company is an Executive Director and his position is separate from that of the Chief Executive Officer.
 - e) **Reporting of Internal Auditor:** The Internal Auditor reports directly to the Audit Committee. He is a permanent invitee to the Audit Committee Meetings and regularly attends the Meetings for reporting audit findings to the Audit Committee.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

The Company has framed a Whistle Blower Policy/ Vigil Mechanism as required under Section 177 of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. This policy serves as a channel for receiving and redressing employees' complaints. The same is discussed elsewhere in this Annual Report. During the financial year ended 31st March, 2020, no personnel were denied access to the Audit Committee for reporting cases under this policy.

CODE OF CONDUCT

The Code of Conduct for Directors and Senior Management Executives ("the Code") formulated and adopted by the Company, in line with its values and beliefs, is applicable to the Board of Directors and Senior Management Personnel of the Company. In line with the amendments made to the Listing Regulations, this policy has also been modified and the same is available on the Company's website at <https://www.centuryply.com/codes-policies/Code-of-Conduct-for-Directors-and-Senior-Management-Executives.pdf>.

The Code of Conduct defines what the Company expects of its businesses and people regardless of the location or background and aims at enhancing ethical and transparent process in managing the affairs of the company. It is aligned with our values, group standards and legal requirements, and clarifies the ethics and compliance expectations for everyone who works with the Company. The Code reflects a value-based approach, where rules are not stated explicitly and day-to-day business decisions would continue to be

guided by our values. The Code covers the Company's commitment to corporate social responsibility and sustainable development, concern for occupational health, safety and environment, a gender friendly workplace, transparency, auditability and legal compliance.

The Code requires Directors and employees to act honestly, fairly,

ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The Board members and Senior Management Personnel have affirmed their compliance with the Code of Conduct as on 31st March, 2020 and a declaration to that effect, signed by the Chief Executive Officer (CEO) and Managing Director is given hereunder:

I hereby confirm that all members of the Board of Directors and Senior Management Personnel of the Company have affirmed their compliance with the Company's Code of Conduct for the Financial Year 2019-20.

Sd/-

Sanjay Agarwal

CEO & Managing Director

Kolkata, 26th June, 2020

CODE FOR PREVENTION OF INSIDER TRADING

In line with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, your Company has adopted a Code of Conduct to regulate, monitor and report trading by Designated Persons and the same is available on the Company's website at <https://www.centuryply.com/codes-policies/Code-of-Conduct-to-regulate-monitor-and-report-trading-by-designated-persons.pdf>.

Sri Sundeep Jhunjhunwala, Company Secretary is the Compliance Officer for monitoring adherence to the Regulations for the preservation of price sensitive information, pre-clearance of trades and implementation of the Code.

CODE FOR FAIR DISCLOSURE

Pursuant to Regulation 8 read with Schedule A of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information which lays down principles and practices to be followed by the Company pertaining to universal disclosure of UPSI. This is available on the Company's website at <https://www.centuryply.com/codes-policies/Code-of-Practices-and-Procedures-for-Fair-Disclosure-of-UPSI.pdf>.

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

It is your Company's policy to conduct all of its businesses in an honest and ethical manner. The Company is committed to act professionally, fairly and with integrity in all its business dealings and relationships wherever it operates, and to implement and enforce effective systems to counter bribery. In furtherance of this intention, the Board of Directors approved and adopted an Anti-Bribery and Anti-Corruption Policy during the Financial Year 2019-20. Anti-Bribery and Anti-Corruption Policy inter alia requires directors, officers and employees of the Company and third parties subject to this Policy, to recognise questionable transactions, behaviour or conduct and to take steps to record, comply and follow procedures set in place to deal with such behaviour or conduct. This Policy also aims to strengthen our internal and external processes against financial risks.

POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES

The Company has framed a policy for determining material subsidiary as required under Regulation 16(1)(C) of the Listing Regulations and the same is available on the Company's website at <https://www.centuryply.com/codes-policies/CPIL-Policy-on-material-subsiary.pdf>. The policy lays down the criteria for identification of and dealing with material subsidiaries. A detailed note on the Policy has been included elsewhere in this Annual Report.

POLICY ON MATERIALITY OF AND DEALING WITH RELATED PARTY TRANSACTIONS

Your Company has in place a Policy on Materiality of and dealing with Related Party Transactions' as required under of Regulation 23(1) of the Listing Regulations and the same is in conformity with the requirements of the provisions of Section 188 of the Companies Act, 2013. The policy has been revised effective from 3rd February, 2020 to conform to the amendments in SEBI Listing Regulations and Companies (Meetings of Board and its Powers) Rules, 2014. The Policy can be accessed on the website of the Company at <https://www.centuryply.com/codes-policies/Policy-on-Materiality-of-and-dealing-with-related-party-transactions.pdf>. The Policy is designed to govern the transparency of approval process and disclosure requirements to ensure fairness in the conduct of related party transactions. This policy specifically deals with the review and approval of material related party transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions.

The Policy sets out the materiality thresholds for related parties and the manner of dealing with transactions between the Company and related parties, including omnibus approvals by Audit Committee based on the provisions of the Act and Regulation 23 of the Listing Regulations. The Board of Directors of the Company has approved the criteria for granting of omnibus approval by the Audit Committee within the overall framework of the Policy on related party transactions. Prior omnibus approval is obtained for related party transactions which are of repetitive nature. All related party transactions are placed before the Audit Committee for review and approval.

APPOINTMENT OF INDEPENDENT DIRECTORS

The Independent Directors of the Company play a pivotal role in ensuring transparency in Company's dealings. Independent Directors are under a duty to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy with their enriched experience and independent views, they prevent possible conflicts of interest that may emerge in the Board's decision making. The Nomination and Remuneration Committee, while recommending appointment of Independent Directors, satisfies itself with regard to the independence of the Directors vis-à-vis the Company. It also ensures that the candidates identified for appointment as Directors are not disqualified for appointment under Section 164 and other applicable provisions of the Companies Act, 2013 and are not debarred from holding the office of Director by any order of SEBI or such other authority. In case of re-appointment of Independent Directors, the Board takes into consideration the performance evaluation of the Independent Directors and their engagement level.

The Company issues letter of appointment to all Independent Directors in the manner as provided in the Companies Act, 2013 and Regulation 25 of the Listing Regulations. The terms and conditions of appointment have also been disclosed on the website of the Company at <https://www.centuryply.com/investor-information/Terms-and-Conditions-of-appointment-of-Independent-Directors.pdf>.

In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management. They also possess the requisite skills, expertise and competencies as required in the context of the Company's businesses.

During the year, none of the Independent Director(s) of the Company resigned before the expiry of his/her tenure.

CEO AND CFO CERTIFICATION

As required under Regulation 17(8) read with Part B of Schedule II of the Listing Regulations, a joint certificate on compliance is issued by Sri Sanjay Agarwal, Managing Director and CEO and Sri Arun Kumar Julasaria, Chief Financial Officer. The Certificate, inter-alia, confirms the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Auditors and the Audit Committee. The same has been annexed separately in this report.

MEANS OF COMMUNICATION

The Company believes that timely disclosure of consistent, comparable, relevant and reliable information on corporate functioning is at the core of good governance. It therefore exercises utmost diligence while disseminating relevant information to our shareholders, analysts, employees and the society at large. The Company informs the Stock Exchanges in a prompt manner, all price sensitive information as well as all such other matters which in its opinion, are material and relevant for the shareholders.

- **Financial Results:** Quarterly, half-yearly financial results of the Company are announced within 45 days and annual financial results of the Company are announced within 60 days from closure of relevant quarter/ year and communicated to the Stock Exchanges immediately after they are considered by the Board and are published in prominent English newspaper having nation-wide circulation and in Bengali newspapers usually in The Economic Times, Business Standard, Business Line, Mint and Aajkal within 48 hours of approval thereof. These results are also made available on the website of the Company www.centuryply.com.
- **Official news releases:** Official news releases and official media releases are sent to Stock Exchanges and are also displayed on the Company's website www.centuryply.com.
- **Presentations to institutional investors/ analysts:** Pursuant to Para A of Part A of Schedule III read with Regulation 30 of Listing Regulations, schedule of analyst or institutional investor meet and presentations made to them on financial results are duly disclosed by the Company to the Stock Exchanges and the same are simultaneously disseminated on the Company's website www.centuryply.com. No unpublished price sensitive information is discussed in the presentation made to institutional investors and financial analysts.
- **Company Website:** The Company's website (www.centuryply.com) contains a separate dedicated section 'Investors' where information for the shareholders is available.
- **Annual Report:** The Annual Report containing, inter alia, Audited Financial Statements, Audited Consolidated Financial Statements, Board's Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report. The Company's Annual Report is also available in a user-friendly and downloadable form in the 'Investors' section on the Company's website.
- **Reminder to Investors:** Reminders for unclaimed shares and unpaid dividend are sent to the concerned shareholders every year.
- **NSE Electronic Application Processing System (NEAPS):** The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints, among others are filed electronically on NEAPS.
- **BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):** BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints, among others are also filed electronically on the Listing Centre.
- **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: centralised



database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

- **Designated exclusive Email ID:** The Company has designated the following Email- ID exclusively for investor servicing: investors@centuryply.com.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis is set out in a separate section included in this Annual Report.

GENERAL SHAREHOLDER INFORMATION

COMPANY REGISTRATION DETAILS

The Company is registered in the State of West Bengal, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L20101WB1982PLC034435.

ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR 2019-20:

Day & date	Wednesday, 9 th September, 2020
Time	11:00 A.M.
Venue	The Company would be conducting the AGM through VC / OAVM pursuant to the MCA Circular dated 5 th May, 2020 (*). For details please refer to the Notice of AGM.
Book Closure dates	Thursday, 3 rd September, 2020 to Wednesday, 9 th September, 2020 (both days inclusive)

* Subject to such further guidelines as may be issued by MCA in this regard.

DIVIDEND PAYMENT DATE:

Dividend is usually paid within 20 days from the date of passing of resolution at the Annual General Meeting (AGM). No dividend has been proposed for approval of the shareholders at the ensuing AGM.

FINANCIAL CALENDAR (TENTATIVE)

RESULTS FOR THE QUARTER ENDING-

30 th June, 2020	-	First week of August, 2020
30 th September, 2020	-	First week of November, 2020
31 st December, 2020	-	First week of February, 2021
31 st March, 2021	-	Second week of May, 2021
Annual General Meeting	-	August/ September, 2021

LISTING DETAILS:

Name and address of Stock Exchange	Stock Code
National Stock Exchange of India Ltd.(NSE) Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Website: www.nseindia.com	CENTURYPLY
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Website: www.bseindia.com	532548
ISIN	INE348B01021

PAYMENT OF LISTING FEES

Annual listing fees for the Financial Year(s) 2019-20 and 2020-21 has been paid to both NSE and BSE on time.

PAYMENT OF DEPOSITORY FEES

Annual Custody/Issuer fee for the Financial Year 2019-20 has been paid to National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). Such fee for the Financial Year 2019-20 has been paid to CDSL while NSDL is yet to raise the invoice.

STOCK MARKET PRICE DATA :

Monthly high and low quotations as well as the volume of shares traded at BSE and NSE, where the shares are regularly traded, for the Financial Year 2019-20 are as follows:

Month	BSE			NSE		
	High ₹	Low ₹	Volume No. of Shares	High ₹	Low ₹	Volume No. of Shares
2019						
April	222.35	172.15	344212	222.40	172.90	3871307
May	175.50	158.00	232989	176.50	158.00	3903404
June	174.75	155.25	756463	175.00	155.00	2615998
July	174.00	121.80	260269	174.65	122.00	3737910
August	138.05	112.30	210630	139.30	112.00	3491483
September	163.60	131.00	243879	163.85	131.00	6641688
October	171.00	150.65	156998	171.00	150.45	2897340
November	181.60	160.60	393154	181.75	158.00	7181689
December	178.50	157.00	149954	178.45	157.00	2857493
2020						
January	175.00	160.20	165372	175.10	160.10	7077379
February	174.70	150.00	171593	174.60	150.00	4287455
March	163.00	95.00	549884	163.50	95.15	6510468

Performance of Company's share price in comparison to BSE Sensex is as under:

Month	BSE Sensex		Company's Shares	
	Closing	% Change	Closing	% Change
2019				
April	39031.55	0.93	173.35	(16.58)
May	39714.20	1.75	171.35	(1.15)
June	39394.64	(0.80)	167.25	(2.39)
July	37481.12	(4.86)	126.15	(24.57)
August	37332.79	(0.40)	135.30	7.25
September	38667.33	3.57	159.55	17.92
October	40129.05	3.78	163.25	2.32
November	40793.81	1.66	173.00	5.97
December	41253.74	1.13	160.80	(7.05)
2020				
January	40723.49	(1.29)	170.80	6.22
February	38297.29	(5.96)	156.70	(8.26)
March	29468.49	(23.05)	111.00	(29.16)

Note : Figures within brackets indicate negative value

REGISTRAR AND SHARE TRANSFER AGENT:

M/s. Maheshwari Datamatics Pvt. Ltd.
23, R.N.Mukherjee Road, 5th Floor, Kolkata 700 001
Phone No. 033- 22435029/2248-2248
Fax : 033-22484787
Email : mdpldc@yahoo.com

SHARE TRANSFER SYSTEM

As notified by SEBI, effective from 1st April, 2019, except in case of transmission or transposition of securities, requests for effecting transfer of securities of the Company are not processed unless the same are held in dematerialized form with a depository. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

The Company, on receipt of proper documentation, registers transmission of its securities in the name of the nominee/ legal heir and issue certificates or receipts or advices, as applicable, of the same; or issue any valid objection or intimation to them, as the case may be, within a period of fifteen days from the date of receipt of

request.

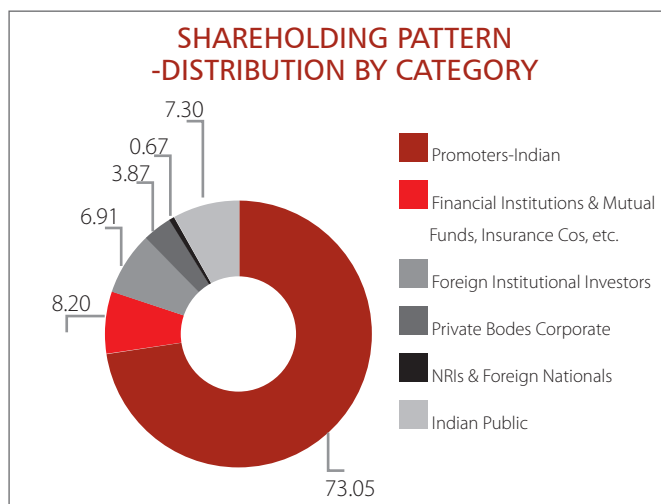
The Board has delegated the authority for approving transfer, transmission, etc. of the Company's securities to its Share Transfer Committee. The Committee meets at regular intervals for approving share transfers, etc. A summary of the transfer, transmissions, dematerialisation, rematerialisation, etc. is placed before the Committee at every meeting. There are no legal cases relating to transfer/ transmission of shares. The Company obtains half-yearly certificate from a Company Secretary in Practice under Regulation 40(9) on compliance regarding sub-division, consolidation, renewal, etc. of physical shares and submits a copy thereof to the Stock Exchanges.

RECONCILIATION OF SHARE CAPITAL AUDIT

As stipulated by Securities and Exchange Board of India (SEBI), a Company Secretary in Practice carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out in every quarter and the report thereon is submitted to stock exchanges and is also placed before the Board of Directors. No discrepancies were noticed during these audits.

DISTRIBUTION OF SHAREHOLDING BY SIZE

Category	As on 31 st March, 2020			
	No. of Shareholders		No. of Shares	
	Total	%	Total	%
1 - 500	48044	88.72	5381995	2.42
501 - 1000	3288	6.07	2432403	1.10
1001 - 2000	1359	2.51	1980315	0.89
2001 - 3000	465	0.86	1203118	0.54
3001 - 4000	207	0.38	736651	0.33
4001 - 5000	189	0.35	882341	0.40
5001 - 10000	283	0.52	2051505	0.92
Above 10000	319	0.59	207504662	93.40
TOTAL	54154	100.00	222172990	100.00



Category	As on 31 st March, 2020	
	No. of Shares	% to Share Capital
Promoters- Indian	162291858	73.05
Financial Institutions, Mutual Funds, Insurance Cos., etc.	18222813	8.20
Foreign Institutional Investors	15356432	6.91
Private Bodies Corporate	8587210	3.87
NRIs & Foreign Nationals	1485825	0.67
Indian Public	16228852	7.30
TOTAL	222172990	100.00

DEMATERIALIZATION OF SHARES

The Company's Equity Shares are tradable compulsorily in electronic form. We have established connectivity with both the depositories, i.e., NSDL and CDSL. The International Securities Identification Number ('ISIN') allotted to the Equity Shares under the Depository System is INE348B01021.

All shares held by Promoters/Promoter Group have been dematerialised. Shareholders who continue to hold shares in physical form are requested to dematerialise their shares at the earliest and avail the benefits of dealing in shares in demat form. We also request the Shareholders to update their bank accounts and e-mail IDs with their respective DPs.

Members are requested to note that as per SEBI guidelines, only transmission or transposition requests can be processed in physical form. All transfers shall be processed in dematerialised form only. A guidance note on dematerialisation of shares held in physical form is placed on the website of the Company at: <https://www.centuryply.com/investor-information/Guidance-note-on-dematerialisation-of-shares-held-in-physical-form.pdf>.

Bifurcation of shares held in physical and demat form as on 31st March, 2020

Particulars	No. of Shares	% to Share Capital #
Physical	447247	0.20
Demat *		
- NSDL (A)	192621045	86.70
- CDSL (B)	29104698	13.10
TOTAL (A + B)	221725743	99.80
TOTAL	222172990	100

* includes entire Promoters' shareholding.

does not include forfeited share capital

LIQUIDITY

The Company's Equity Shares are actively traded shares on the NSE and BSE. Relevant data for the average daily turnover for the Financial Year 2019-20 is given below:

Particulars	NSE	BSE	Total
Shares (nos.)	222970	14718	237688
Value (in ₹ Lac)	351.96	22.97	374.93

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Dividends which remain unpaid/ unclaimed for a period of Seven years from the date of transfer to the unpaid dividend account are required to be transferred by the Company to the Investor

Education and Protection Fund (IEPF). The Company regularly sends reminder letters through electronic and/or physical means to all those shareholders whose dividend are lying unpaid/unclaimed for any year/(s) during the last seven years indicating that the unclaimed amount will be transferred to the IEPF, if not claimed by the shareholders before the due date of transfer to the said Fund. Further, the details of dividend unclaimed by the Members as on date of last Annual General Meeting, for the past years which have not yet been transferred to IEPF are readily available for view by the Members on the website of the Company www.centuryply.com. The Company has also uploaded these details on the website of the IEPF Authority, www.iepf.gov.in.

UNCLAIMED SHARES

In terms of Regulation 39(4) of the Listing Regulations, the Company, hereunder, reports the details as prescribed under Schedule VI of the Listing Regulations, in respect of unclaimed shares transferred to the suspense account, 'Century Plyboards (India) Limited- Unclaimed Shares Suspense Account':

Particulars	No. of Shareholders	No. of Shares
Aggregate number of Shareholders and outstanding shares held in the Unclaimed Suspense Account as on 1 st April, 2019	5	6250
Number of Shareholders and outstanding shares transferred to Unclaimed Suspense Account during the year	Nil	Nil
Number of shareholders who approached the Company for transfer of shares from Unclaimed suspense account during the year	Nil	Nil
Number of shareholders to whom shares were transferred from suspense account during the year	Nil	Nil
Number of Shareholders and outstanding shares transferred to IEPF Demat Account during the year	Nil	Nil
Aggregate number of shareholders and outstanding shares held in the Unclaimed Suspense Account as on 31 st March, 2020	5	6250

Voting rights in respect of the aforesaid 6250 shares held in the Unclaimed Suspense Account will remain frozen till the time such shares are transferred from the Unclaimed Suspense Account to the concerned Shareholders / legal heirs.

TRANSFER OF SHARES IN RESPECT OF WHICH DIVIDEND REMAINED UNCLAIMED/ UNPAID FOR SEVEN CONSECUTIVE YEARS OR MORE

Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') requires that all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to the Investor Education and Protection Fund ("IEPF").

Further, shares in respect of such dividends which have not been claimed for a period of 7 consecutive years are also liable to be transferred to the demat account of the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares. The Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority. Notices in this regard are also published in the newspapers and details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority are uploaded in 'Transfer of shares to IEPF' section on the Company's website www.centuryply.com/investors.

During the year, in view of the above, the Company has transferred 9708 shares held by 13 shareholders to the demat account of IEPF authority. Altogether till date, 77671 shares held by 341 shareholders have been transferred to the demat account of IEPF authority. The voting rights on shares transferred to the IEPF Authority shall remain frozen till the rightful owner claims the shares.

Members who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov.in. Thereafter, the claimant shall send a physical copy of the same along with original share certificate, and other document as enumerated in Form No. IEPF-5, duly signed by him, to the Company Secretary, who is the Nodal Officer of the Company, at its registered office for verification and onward processing of the claim. No claims shall lie against the Company in respect of the dividend/shares so transferred

CREDIT RATINGS

Credit Rating by ICRA

Long term credit facilities : 'AA-' with 'Positive' outlook

Short term credit facilities : A1+

Commercial Paper : A1+

The rating of AA indicates high degree of safety regarding timely servicing of financial obligations and very low credit risk.

A 'Positive' outlook indicates an expected upgrade in the credit ratings in the medium term on account of expected positive impact on the credit risk profile of the entity in the medium term.

The rating of A1+ indicates very strong degree of safety regarding timely payment of financial obligations and carries the lowest credit risk.

OUTSTANDING GDR/ ADR/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

The Company has never issued any GDR/ ADR/ warrants or any convertible instruments.

COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

FOREIGN CURRENCY EXPOSURE AND ITS HEDGING:

The Company has following foreign exchange exposure in its books

- Liability towards imports for purchases for goods and services.
- Liability towards foreign currency loans such as Buyers Credit, Foreign Currency Term Loans, etc.
- Forex exposure in terms of receivables against its exports made to various countries.

Majority of the Company's payables and receivables are in US Dollars or Euro and due to fluctuations in foreign exchange prices, it is subject to foreign exchange risks. Your Company hedges its foreign currency exposure in respect of its imports, borrowings and export receivables as per its laid down policies and mainly uses forward exchange contracts for the same.

COMMODITY PRICE RISK AND COMMODITY HEDGING

Commodities form a major part of the raw materials required for Company's Products portfolio and hence Commodity price risk is one of the important market risk for the Company. Your Company has mechanisms in place to ensure that the organisation is adequately protected from the market volatility in terms of price and availability.

Your Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/000000141 dated 15th November, 2018.

PLANT LOCATIONS

A	Veneer and Plywood	Kolkata Unit
		Kanchowki, Bishnupur, District: 24Parganas (S), West Bengal
		Chennai Unit
		Chinnappolapuram, Gummidipoondi, Tamil Nadu
		Karnal Unit
		Rambha Road, Taraori, Haryana
		Cent Ply & Purbanchal Timber Industries (Guwahati Units)
		Mirza Palasbari Road, Kamrup, Assam
		Kandla Unit
		Village Moti Chirai, Taluka Bhachau, Kachchh, Gujarat
B	Particle Board	Chinnappolapuram, Gummidipoondi, Tamil Nadu
C	MDF	Village Doulowal, Tehsil and District Hoshiarpur, Punjab
D	Laminate	Kanchowki, Bishnupur, District:24 Parganas (S), West Bengal

E	Logistics	Century Sonai CFS
		Block-B & C, Sonai, Khidderpore, Kolkata, West Bengal
		Century Jinjira Pole CFS
		Hide Road, Brace Bridge, Khidderpore, Kolkata, West Bengal

ADDRESS FOR CORRESPONDENCE

Company Secretary & Compliance Officer
 Century Plyboards (India) Limited
 'Century House', P-15/1, Taratala Road, Kolkata - 700088
 Phone : 033-39403950, Fax : 033- 24015556
 Email : sundeejp@centuryply.com
 Website : www.centuryply.com
 E Mail ID for Investors Grievances : investors@centuryply.com

For and on behalf of the Board of Directors

Sajjan Bhajanka

(DIN: 00246043)

Kolkata, 26th June, 2020

Chairman and Managing Director

CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

To
The Board of Directors
Century Plyboards (India) Ltd.
P-15/1, Taratala Road,
Kolkata - 700088

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Century Plyboards (India) Limited ("the Company"), certify that:

- a. We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2020 and to the best of our knowledge and belief, state that:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. To the best of our knowledge and belief, none of the transactions entered into by the Company during the year ended 31st March, 2020 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 pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

- d. We have indicated, wherever applicable, to the Auditors and Audit Committee:
 - i) significant changes, if any, in the internal control over financial reporting during the year;
 - ii) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii) instances of significant fraud, if any, of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Sanjay Agarwal
CEO & Managing Director
Kolkata, 26th June, 2020

Arun Kumar Julasaria
Chief Financial Officer

CERTIFICATE ON CORPORATE GOVERNANCE OF CENTURY PLYBOARDS (INDIA) LIMITED

To
The Members,
CENTURY PLYBOARDS (INDIA) LIMITED

We have examined the compliance of conditions of Corporate Governance by **Century Plyboards (India) Limited** ("the Company") for the year ended on 31st March, 2020, as stipulated in Chapter IV and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause and/or Regulations. 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 knowledge, information

and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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

For **MKB & Associates**
Company Secretaries

Manoj Kumar Banthia
(Partner)

ACS no. 11470
COP no. 7596

FRN: P2010WB042700

UDIN: A011470B000384744

Date: 26.06.2020

Place: Kolkata

CERTIFICATE FROM A COMPANY SECRETARY IN PRACTICE THAT NONE OF THE DIRECTORS ON THE BOARD OF CENTURY PLYBOARDS (INDIA) LIMITED HAVE BEEN DEBARRED OR DISQUALIFIED

To

The Members,

CENTURY PLYBOARDS (INDIA) LIMITED

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by M/s **CENTURY PLYBOARDS (INDIA) LIMITED**, having its Registered office at P - 15/1, Taratala Road, Kolkata - 700088, West Bengal, the information provided by the Company, its officers, agents and authorized representatives and based on the verification of the Ministry of Corporate Affairs website, we hereby report that during the Financial Year ended on March 31, 2020, in our opinion, none of the Director on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of the Company by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such Statutory authority.

For **MKB & Associates**
Company Secretaries

Manoj Kumar Banthia
(Partner)

ACS no. 11470

COP no. 7596

FRN: P2010WB042700

UDIN: A011470B000384755

Date: 26.06.2020

Place: Kolkata

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
CENTURY PLYBOARDS (INDIA) LIMITED

Independent Auditor's Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of **Century Plyboards (India) Limited** ("the Company"), which comprise the balance sheet as at March 31 2020, the statement of profit and loss, (including the statement of other comprehensive income), the cash flow statement and the statement of changes in equity for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information's (hereinafter referred to as "the Standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

2. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified

under section 143(10) of the Act. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the standalone financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants (ICAI) of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

3. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Descriptions of Key Audit Matter	How we addressed the matter in our audit
<p>A. Valuation of inventories</p> <p>Refer to note 9 to the financial statements. The Company is having Inventory of ₹35,410.37 lacs as on 31st March 2020. Inventories are to be valued as per Ind AS 2. As described in the accounting policies in note 2.2(j) to the financial statements, inventories are carried at the lower of cost and net realisable value. As a result, the management applies judgment in determining the appropriate provisions against inventory of Stores, Raw Material, Finished goods and Work in progress based upon a detailed analysis of old inventory, net realisable value below cost based upon future plans for sale of inventory.</p>	<p>We obtained assurance over the appropriateness of the management's assumptions applied in calculating the value of the inventories and related provisions by:</p> <ul style="list-style-type: none"> • Completed a walkthrough of the inventory valuation process and assessed the design and implementation of the key controls addressing the risk. • Verifying the effectiveness of key inventory controls operating over inventories; including sample based physical verification. • Reviewing the document and other record related to physical verification of inventories done by the management during the year. • Verifying for a sample of individual products that costs have been correctly recorded. • Comparing the net realisable value to the cost price of inventories to check for completeness of the associated provision. • Reviewing the historical accuracy of inventory provisioning and the level of inventory write-offs during the year. • Recomputing provisions recorded to verify that they are in line with the Company policy. <p>Our Observation: Based on the audit procedures performed we did not identify any material exceptions in the Inventory valuation.</p>

Descriptions of Key Audit Matter	How we addressed the matter in our audit
<p>B. Revenue Recognition-</p> <p>The accuracy of amounts recorded as revenue is an inherent risk due to the complexity involve.</p> <p>The application of revenue recognition accounting standards Ind AS 115 is complex and involves a number of judgments and estimates. Refer note no 2.4 (h)-to Critical accounting judgments including those involving estimations and Revenue recognition. In view of the complexity of the revenue recognition and the judgments and estimates involved the recognition of revenue was a matter of most significance to our audit.</p>	<p>As part of our audit, we understood the Company's policies and processes, control mechanisms and methods in relation to the revenue recognition and evaluated the design and operative effectiveness of the financial controls from the above through our test of control procedures.</p> <ul style="list-style-type: none"> • Tested a sample of sales transactions for compliance with the Company's accounting principles to assess the completeness, occurrence and accuracy of revenue recorded • Performing procedures to ensure that the revenue recognition criteria adopted by Company for all major revenue streams is appropriate and in line with the Company's accounting policies. • We tested the company's system generated reports, based on which revenue is accrued at the year end, and performed tests of details on the accrued revenue and accounts receivable balances recognized in the balance sheet at the year end. <p>Our tests of detail focused on transactions occurring within proximity of the year end and obtaining evidence to support the appropriate timing of revenue recognition, based on terms and conditions set out in sales contracts and delivery documents or system generated reports. We considered the appropriateness and accuracy of any cut-off adjustments</p> <ul style="list-style-type: none"> • Traced disclosure information to accounting records and other supporting documentation. <p>Our Observation: Based on the audit procedures performed we did not identify any material exceptions in the revenue recognition.</p>

Information Other than the Standalone financial statements and Auditor's Report Thereon

4. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the annual reports, but does not include the standalone financial statements and our auditor's report thereon.

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 during the course of our 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.

Management's Responsibility for the Standalone Financial Statements

5. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified

under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

6. 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 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 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 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.
7. 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.

8. 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.
9. 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.
10. 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 the statement of other comprehensive income, the cash flow statement and statement of changes in equity 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;

- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 with reference to standalone financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- I. The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements– Note 33 (ii) to the financial statements;
- II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- III. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Singhi & Co.

Chartered Accountants
Firm's Registration No.302049E

(Rajiv Singhi)

Partner

Place: Kolkata
Date: June 26, 2020

Membership No. 053518
UDIN20053518AAAAAS3314

Annexure 'A' to the Independent Auditor's Report

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

- i. In respect of the Company's fixed assets:
- The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - As explained to us, fixed assets have been physically verified during the year by the management as per phased program of verification and no material discrepancies have been noticed on such physical verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
 - 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.
- ii. The physical verification of inventory excluding inventories in transit has been conducted at reasonable intervals by the Management during the year. The discrepancies noted on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loan to parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus, paragraph 3(iii) of the Order is not applicable.
- The Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments made and providing guarantees and securities, as applicable.
 - The Company has not accepted deposits from public within the meaning of section 73, 74, 75, 76 of the Act and the Rules framed there under to the extent notified.
 - The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the product & services rendered by the Company.
 - According to the information and explanations given to us and on the basis of our examination of the books of account:
 - The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Customs Duty, Goods and Service tax, Cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us and the records of the Company examined by us, no undisputed statutory dues as above were outstanding as at March 31, 2020 for a period of more than six months from the date they became payable.
 - According to the information and explanation given to us, the dues of sales tax, Value added tax, income tax and duty of excise, which have not been deposited on account of any dispute and the forum where the dispute is pending as on March 31, 2020 are as under:

Name of the statute	Nature of dues	Amount (₹ In Lakh)	Year	Forum where dispute is pending
West Bengal VAT Act, 2005	WBST, CST & VAT	872.76	1999-00 to 2017-18	Commissioner of Commercial Tax, West Bengal
Andhra Pradesh VAT Act	Sales tax and CST	24.02	2005- 06 to 2012-13	CTO Office
Odisha VAT Act, 2004	VAT	19.03	2011-2012 & 2012-2013	Pending at Tribunal
Other States (including Sharon)	VAT	8.89	1990-91 to 2013-14	Joint Commissioner of Commercial Taxes
Income Tax Act, 1961	Income Tax	12.36	AY 2011-12	Commissioner of Income Tax (Appeals), Kolkata
		584.15	AY 2012-13	Commissioner of Income Tax (Appeals), Kolkata
		26.65	AY 2015-16	Commissioner of Income Tax (Appeals), Kolkata
		1,619.73	AY 2016-17	Commissioner of Income Tax (Appeals), Kolkata
		16.44	AY 2015-16	Commissioner of Income Tax (Appeals), Kolkata
The Central Excise Act, 1944	Duty of Excise	1,055.20	2008-09 to 2018-19	Customs, Excise & Service Tax Appellate Tribunal, Kolkata

viii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings to any financial institution and bank. The Company did not have any borrowing from Government and dues to debenture holders as at balance sheet date.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Further the company has not taken any fresh term loan during the year.

x. Based upon the audit procedure performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

xi. The Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and

188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with them to which Section 192 of the Act applies. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the company.

For Singhi & Co.

Chartered Accountants
Firm's Registration No.302049E

(Rajiv Singhi)

Partner

Place: Kolkata
Date: June 26, 2020

Membership No. 053518
UDIN20053518AAAAAS3314

Annexure 'B' to the Independent Auditor's Report

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditor's Report of even date to the Members of Century Plyboards (India) Limited on the standalone financial statements as of and for the year ended March 31, 2020 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 with reference to standalone financial statements of

Century Plyboards (India) Limited ("the Company") as of March 31, 2020 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 Board of Directors of the company is responsible for establishing and maintaining internal financial controls based on the internal financial control over financial reporting with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting with reference to standalone financial statements 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements 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 over financial reporting system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to standalone financial statements included obtaining an understanding of internal financial controls over financial reporting with reference to standalone financial statements, 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 judgement, 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 over financial reporting system with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial control over financial reporting with reference to standalone financial statements is a process designed

to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls with reference to standalone financial statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls over financial reporting system with reference to standalone financial statements and such internal financial controls over financial reporting with reference to standalone financial statements were operating effectively as at March 31, 2020, based on the internal financial control over financial reporting with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Singhi & Co.

Chartered Accountants
Firm's Registration No.302049E

(Rajiv Singhi)

Partner

Place: Kolkata

Date: June 26, 2020

Membership No. 053518
UDIN20053518AAAAAS3314

Balance Sheet

 as at 31st March, 2020

₹ in Lac

	Notes	As at 31 st March, 2020	As at 31 st March, 2019
A ASSETS			
Non Current Assets			
Property, Plant and Equipment (including right of use assets)	3	72,049.59	72,784.63
Capital Work-in-Progress	3	830.03	1,884.03
Intangible Assets	3	59.93	75.17
Investment in Subsidiaries	4	11,346.49	9,745.39
Financial Assets			
Investments In Others	4	21.77	33.77
Loans and Advances	5	1,482.96	1,391.47
Other financial assets	6	-	1,586.07
Deferred Tax Assets	7	5,782.21	6,150.84
Other Non-Current assets	8	715.03	767.71
Total Non Current Assets		92,288.01	94,419.08
Current Assets			
Inventories	9	35,410.37	40,097.45
Financial Assets			
Trade Receivables	10	25,815.95	29,355.43
Cash and cash equivalents	11	1,849.78	1,957.64
Bank Balances other than above	11	272.33	303.58
Loans and Advances	5	556.32	539.87
Current Tax Assets		-	222.70
Other financial assets	6	1,903.51	1,528.21
Other Current assets	8	4,771.21	8,227.81
Total Current Assets		70,579.47	82,232.69
TOTAL ASSETS		1,62,867.48	1,76,651.77
B EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12	2,225.27	2,225.27
Other Equity	13	1,05,112.71	94,687.37
Total Equity		1,07,337.98	96,912.64
Liabilities			
Non Current Liabilities			
Financial Liabilities			
Borrowings	14	5,293.24	13,226.57
Lease Liabilities		2,127.43	-
Other financial liabilities	15	-	-
Other non-current liabilities	16	214.98	55.61
Provisions	22	640.13	195.56
Total Non Current Liabilities		8,275.78	13,477.74
Current Liabilities			
Financial Liabilities			
Borrowings	17	16,829.96	33,633.62
Lease Liabilities		573.51	-
Trade Payables			
Dues to micro and small enterprises	18	975.36	1,558.34
Dues to others	18	15,132.28	14,692.40
Other Financial Liabilities	19	9,034.91	11,674.42
Contract Liability	20	1,033.27	631.28
Other Current Liabilities	21	2,151.22	3,119.55
Provisions	22	706.64	951.78
Current tax liabilities (Net)	23	816.57	-
Total Current Liabilities		47,253.72	66,261.39
Total Liabilities		55,529.50	79,739.13
TOTAL EQUITY AND LIABILITIES		1,62,867.48	1,76,651.77
Significant Accounting Policies, Key Judgements, Estimates and Assumptions	2		

The accompanying notes form an integral part of the Standalone Financial Statements 3-50

As per our attached report of even date

For Singhi & Co.

Firm's Registration No.- 302049E

Chartered Accountants

Rajiv Singhi

Partner

Membership No. 053518

Place: Kolkata

 Date: 26th June, 2020

For and on behalf of the Board of Directors
Sajjan Bhajanka

Chairman & Managing Director

DIN: 00246043

Arun Kumar Julasaria

Chief Financial Officer

Sanjay Agarwal

CEO & Managing Director

DIN: 00246132

Sundeep Jhunjhunwala

Company Secretary

Statement of Profit and Loss

for the year ended 31st March, 2020

₹ in Lac

	Notes	2019-2020	2018-2019
INCOME			
Revenue from Operations	24	2,28,267.70	2,26,382.60
Other Income	25	1,108.48	605.15
Total Income		2,29,376.18	2,26,987.75
EXPENSES			
Cost of Materials Consumed	26	85,082.65	94,643.19
Purchase of Stock-in-Trade	27	28,510.02	24,551.67
Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	27	1,235.70	(1,039.14)
Employee Benefits Expense	28	34,412.98	32,769.50
Finance Cost	29	3,724.48	4,457.71
Depreciation and Amortisation Expense	30	6,755.18	4,998.81
Impairment loss on Investment in Subsidiary (Refer Note No.43)		4,563.27	-
Other Expenses	31	44,053.75	45,420.39
Total Expenses		2,08,338.03	2,05,802.13
Profit before Tax		21,038.15	21,185.62
Tax Expenses			
Current Tax		4,834.31	4,514.77
Less: MAT credit entitlement		-	1,752.49
Deferred Tax		387.16	2,547.36
Total Tax Expenses		5,221.47	5,309.64
Profit for the year		15,816.68	15,875.98
Other Comprehensive Income (OCI)			
Items that will not be reclassified to Statement of Profit and Loss			
Re-Measurement gain/(loss) on defined benefit plans		(53.06)	(122.84)
Income tax related to above	7	18.54	42.93
Other Comprehensive Income for the year, net of tax		(34.52)	(79.91)
Total Comprehensive Income for the year		15,782.16	15,796.07
Earnings per equity share (nominal value of share ₹1/- (Previous Year ₹1/-))			
Basic and Diluted (₹)	46	7.12	7.15
Significant Accounting Policies, Key Judgements, Estimates and Assumptions	2		

The accompanying notes form an integral part of the Standalone Financial Statements 3-50

As per our attached report of even date

For Singhi & Co.

Firm's Registration No.- 302049E

Chartered Accountants

Rajiv Singhi

Partner

Membership No. 053518

Place: Kolkata

Date: 26th June, 2020

For and on behalf of the Board of Directors

Sajjan Bhajanka

Chairman & Managing Director

DIN: 00246043

Arun Kumar Julasaria

Chief Financial Officer

Sanjay Agarwal

CEO & Managing Director

DIN: 00246132

Sundeep Jhunjhunwala

Company Secretary

Cash Flow Statement

for the year ended 31st March, 2020

₹ in Lac

	2019-20	2018-19
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	21,038.15	21,185.62
Adjustments for:		
Depreciation/Amortisation	6,755.18	4,998.81
Finance Cost	3,724.48	4,457.71
Irrecoverable Debts & Advances Written Off	67.08	148.57
Impairment loss on Investment in Subsidiary	4,563.27	
Unspent/Unclaimed Balances Written Back	(5.28)	(5.08)
(Profit)/Loss on disposal of Property, Plant and Equipment	(509.47)	(92.16)
Net gain on Sale of Investments carried at FVTPL	(110.28)	-
Interest Income from financial assets at amortised cost	(146.66)	(402.54)
Provision for Doubtful Debts provided / (written back)	27.24	38.34
Unrealised Foreign Exchange Fluctuations Loss/(Gain)	743.95	640.18
Operating Profit before Working Capital changes	36,147.66	30,969.45
Adjustments for:		
(Increase)/Decrease in Trade Receivables	3,544.96	1,868.96
(Increase)/Decrease in Inventories	4,687.08	(6,276.85)
(Increase)/Decrease in Financial Assets	3,014.66	1,063.42
(Increase)/Decrease in Other Assets	(41.40)	(112.21)
Increase/(Decrease) in Short Term Provisions	146.37	(15.25)
Increase/(Decrease) in Financial Liabilities	210.21	882.51
Increase/(Decrease) in Other Liabilities	(1,082.24)	888.12
Increase/(Decrease) in Trade Payables	(233.51)	(1,235.43)
Cash Generated from Operations	46,393.79	28,032.72
Direct Taxes Paid (Net of Refunds)	(3,795.04)	(5,438.35)
Net Cash generated from Operating Activities	42,598.75	22,594.37
B CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds/(Outflow) from Margin Money Deposit	34.96	(220.14)
Purchase of Property, Plant and Equipment	(5,333.95)	(13,636.25)
Sale of Property, Plant and Equipment	3,818.63	376.97
Purchase of Long Term Investments (Subsidiaries)	(6,152.37)	-
Sale of Long Term Investments (Others)	110.28	-
Share Application Money given (Subsidiaries)	1,586.07	(556.26)
Loans (Given)/Refunds (net)	-	850.00
Interest Received	102.39	397.07
Net Cash used in Investing Activities	(5,833.99)	(12,788.61)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	(625.86)	(179.65)
Repayment of Long Term Borrowings	(9,775.65)	(2,951.69)
Proceeds from Short Term Borrowings	12,698.13	20,169.99
Repayment of Short Term Borrowings	(29,624.55)	(20,227.67)
Principal payment of Lease Liability	(358.18)	-
Interest Paid	(3,713.86)	(3,171.27)
Other Borrowing Cost Paid	(119.53)	(378.28)
Dividend Paid	(4,439.75)	(2,221.21)
Dividend Tax Paid	(913.37)	(456.68)

Cash Flow Statement

for the year ended 31st March, 2020

₹ in Lac

	2019-20	2018-19
Net Cash (used in)/from Financing Activities	(36,872.62)	(9,416.46)
Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)	(107.86)	389.30
Cash & Cash Equivalents - Opening Balance	1,957.64	1,568.34
Cash & Cash Equivalents - Closing Balance	1,849.78	1,957.64

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

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS 7 on 'Statement of Cash Flow'.
- Reconciliation between opening and closing balances of liabilities arising from financing activities.

₹ in Lac

Particulars	Liabilities from financing activities		
	Term Loan/Vehicle Loan from Banks & Financial Institutions	Current Borrowings	Lease Liability
Balance as at 1 st April, 2018	20,775.03	33,528.43	-
Interest accrued but not due as at 1 st April, 2018	-	145.36	-
Cash Flow (Net)	(3,131.33)	(57.68)	-
Non Cash Changes			
Fair Value Changes			
Forex	614.06	162.87	-
Finance Cost	1,257.91	1,899.38	-
Interest & Other Borrowing Cost Paid	(1,213.08)	(1,958.19)	-
Interest accrued but not due as at 31 st March, 2019	(44.83)	(86.55)	-
Balance as at 1st April, 2019	18,257.76	33,633.62	-
Ind AS 116 Lease Liability Recognised	-	-	3,059.12
Interest accrued but not due as at 1 st April, 2019	44.83	86.55	-
Cash Flow (Net)	(10,401.51)	(16,926.42)	(358.18)
Non Cash Changes			
Fair Value Changes			
Forex	625.86	122.76	-
Finance Cost	1,163.30	1,535.60	245.54
Interest & Other Borrowing Cost Paid	(1,180.70)	(1,627.07)	(245.54)
Interest accrued but not due as at 31 st March, 2020	(27.43)	4.92	-
Balance as at 31st March, 2020	8,482.11	16,829.96	2,700.94

- Previous year's figures have been rearranged and/or regrouped, wherever necessary.

For Singhi & Co.

Firm's Registration No.- 302049E

Chartered Accountants

Rajiv Singhi

Partner

Membership No. 053518

Place: Kolkata

Date: 26th June, 2020

For and on behalf of the Board of Directors

Sajjan Bhajanka

Chairman & Managing Director

DIN: 00246043

Arun Kumar Julasaria

Chief Financial Officer

Sanjay Agarwal

CEO & Managing Director

DIN: 00246132

Sundeep Jhunjhunwala

Company Secretary

Statement of Changes in Equity for the year ended 31st March, 2020

A) Equity Share Capital

	Nos.	₹ in Lac
On 1 st April, 2018 *	22,21,72,990	2,225.27
Changes in equity share capital during the year	-	-
Balance at 31st March, 2019 *	22,21,72,990	2,225.27
Changes in equity share capital during the year	-	-
Balance at 31st March, 2020 *	22,21,72,990	2,225.27

* Includes amount ₹3.54 lacs received on forfeited shares (FY 2001-02)

B) Other Equity

₹ in Lac

Particulars	Reserves and Surplus						Total
	Securities Premium Reserve	Amalgamation Reserve	Surplus in the Statement of Profit and Loss	Capital Redemption Reserve	General Reserve	Retained Earnings	
Balance as on 1st April, 2018	1,892.77	317.40	74,893.61	50.00	990.19	3,425.74	81,569.71
Final Dividend for the year 2017-18	-	-	(2,221.73)	-	-	-	(2,221.73)
Tax on final dividend for the the year 2017-18	-	-	(456.68)	-	-	-	(456.68)
Profit for the year	-	-	15,875.98	-	-	-	15,875.98
Other Comprehensive Income for the year, net of tax:							
Remeasurement gain/(loss) on Defined Benefit Plans	-	-	-	-	-	(79.91)	(79.91)
Balance at 31st March, 2019	1,892.77	317.40	88,091.18	50.00	990.19	3,345.83	94,687.37
Final Dividend for the year 2018-19	-	-	(2,221.73)	-	-	-	(2,221.73)
Tax on final dividend for the the year 2018-19	-	-	(456.68)	-	-	-	(456.68)
Interim Dividend for the year 2019-20			(2,221.73)				(2,221.73)
Tax on Interim dividend for the the year 2019-20			(456.68)				(456.68)
Profit for the year	-	-	15,816.68	-	-	-	15,816.68
Other Comprehensive Income for the year, net of tax:							
Remeasurement gain/(loss) on Defined Benefit Plans	-	-	-	-	-	(34.52)	(34.52)
Balance at 31st March, 2020	1,892.77	317.40	98,551.04	50.00	990.19	3,311.31	1,05,112.71

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

As per our attached report of even date

For Singhi & Co.

Firm's Registration No.- 302049E
Chartered Accountants

Rajiv Singhi

Partner
Membership No. 053518
Place: Kolkata
Date: 26th June, 2020

For and on behalf of the Board of Directors

Sajjan Bhajanka

Chairman & Managing Director
DIN: 00246043

Arun Kumar Julasaria

Chief Financial Officer

Sanjay Agarwal

CEO & Managing Director
DIN: 00246132

Sundeep Jhunjhunwala

Company Secretary

Notes to Financial Statements

as at and for the year ended 31st March, 2020

1. Corporate Information

Century Plyboards (India) Limited ("the Company") is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956, having its registered office at P-15/1, Taratala Road, Kolkata - 700088. Its shares are listed on National Stock Exchange of India Ltd. and BSE Limited. The Company is primarily engaged in manufacturing and sale of Plywood, Laminates, Decorative Veneers, Medium Density Fiber Boards (MDF), Pre-laminated Boards, Particle Board and Flush Doors and providing Container Freight Station (CFS) services. The Company presently has manufacturing facilities near Kolkata, Karnal, Guwahati, Hoshiarpur, Kandla and Chennai. Container Freight station is located near Kolkata port.

2. Significant Accounting Policies, Key Judgements, Estimates and Assumptions

2.1 Basis of Preparation of financial statements

2.1.1 Compliance with Ind As

These Financial Statements relate to Century Plyboards (India) Limited. The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act 2013 ("the Act"), as notified under the Companies (Indian Accounting Standard) Rules, 2015 and other relevant provision of the Act, to the extent applicable.

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 has applied the following accounting standards and its amendment for the first time for annual reporting period commencing 1st April, 2019.

- i) Ind AS 116, Leases
- ii) Amendment to Ind AS 12, Income Taxes and Ind AS 12 Appendix 'C', Uncertainty over Income Tax Treatments
- iii) Amendment to Ind AS 23, Borrowing Cost
- iv) Amendment to Ind AS 103, Business Combination and Ind AS 111 – Joint Arrangements
- v) Ind AS 109 – Prepayment Features with Negative Compensation.

The amendments listed above except Ind AS 116 lease, did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current and future periods. Impact due to application of Ind AS 116 is summarised below.

On 30th March, 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116, 'Leases' as part of the Companies (Indian Accounting Standards (Ind AS)) Amendment Rules, 2019. Ind AS 116 replaces existing Ind AS 17, Leases with effect from 1st April, 2019 (the effective date). Ind AS 116 sets out principles for recognition, measurement, presentation and disclosure of leases. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. For all leases except as noted above, a lessee is required to recognise a right-of-use asset (ROU Asset) representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments in the balance sheet. Lessee will recognise depreciation of right-of-use assets and interest on lease liabilities in the statement of profit and loss. Operating cash flows will be higher as repayments of the lease liability and related interest are classified within financing activities. However, there was no major change in accounting from a Lessor perspective.

Company's new accounting policy is described in paragraph "2.2 (i)" of Accounting Policy to the financial statements and the impact of change is described below.

The financial statements have been prepared on a historical cost basis, except for certain financial assets measured at fair value as described in accounting policies regarding financial instruments.

The financial statements have been prepared under the historical cost convention on accrual basis except for following assets and liabilities which have been measured at fair value:

- Financial instruments - Measured at fair value;
- Plan assets under defined benefit plans - Measured at fair value; and

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants

Notes to Financial Statements as at and for the year ended 31st March, 2020

would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the financial statement is determined on such a basis, except for share-based payment transactions, leasing transactions and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Inventories or value in use in Impairment of Assets. The basis of fair valuation of these items are given as part of their respective accounting policies.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The financial statements are presented in Indian Rupees which is the Functional Currency and all values are rounded to nearest Lacs with two decimal except when otherwise indicated.

2.2 Summary of Significant Accounting Policies

a. Current versus Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when it is:

- Expected to be settled in Company's normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

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

b. Revenue Recognition

The Company derives revenue principally from sale of Plywood, Laminates, MDF, Particle boards, Decorative Veneers, Flush Doors and CFS services. The Company recognizes revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when control of the product has been transferred to the customer, which is generally determined when title, ownership, risk of obsolescence and loss pass to the customer and the Company has the present right to payment, all of which occurs at a point in time upon shipment or delivery of the product. The Company considers shipping and handling activities as costs to fulfil the promise to transfer the related products and the customer payments for shipping and handling costs are recorded as a component of revenue. In certain customer contracts, shipping and handling services are treated as a distinct separate performance obligation and the Company recognises revenue for such services when the performance obligation is completed.

Notes to Financial Statements

as at and for the year ended 31st March, 2020

The Company considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the entity expects to be entitled to in exchange for transferring of promised goods and services to the customer after deducting incentive programs, included but not limited to discounts, volume rebates etc.

For incentives offered to customers/dealers, the Company makes estimates related to customer performance and sales volume to determine the total amounts earned and to be recorded as deductions. The estimate is made in such a manner, which ensures that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The actual amounts may differ from these estimates and are accounted for prospectively. No element of significant financing is deemed present as the sales are made with a credit term, which is consistent with market practice.

In case of related party transactions where related party meets the definition of customer (i.e. a party that has contracted with the Company to obtain goods or services that are an output of the Company's ordinary activity in exchange for consideration) and the transactions are within the scope of the standard then the revenue is recognised based on the principles of Ind AS 115.

Export incentives and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received.

Interest Income

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

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Insurance Claims

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

c. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

d. Taxes

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

Current Tax

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

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

Deferred Tax

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (MAT Credit

Notes to Financial Statements as at and for the year ended 31st March, 2020

Entitlement) and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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

Minimum Alternative Tax (MAT) Credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income Tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of credit to Statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

e. Property, Plant and Equipment

Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Expenditure directly attributable to expansion projects are capitalised. Administrative, general overheads and other indirect expenditure (including borrowing costs) incurred during the project period which are not related to the project nor are incidental thereto, are charged to Statement of Profit and Loss.

Effective 1st April, 2018, depreciation on property, plant and equipment is provided under Straight Line method at the rates determined based on useful lives of the respective assets and residual values which is in line with those indicated in Schedule II of The Companies Act, 2013.

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

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

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

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

Notes to Financial Statements

as at and for the year ended 31st March, 2020

f. Investment Property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

All other repair and maintenance costs are recognised in the statement of profit or loss as incurred.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit or loss in the period of de-recognition.

g. Intangible Assets

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

The Company has intangible assets with finite useful lives.

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

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

Intangible assets (Computer Software) are amortised on a Straight Line method over a period of 3 years.

h. Borrowing Costs

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

i. Leases

The Company as lessor

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Company as lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

Lease Liability

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used,

Notes to Financial Statements as at and for the year ended 31st March, 2020

being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Balance Sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Right of Use (ROU) Assets

The ROU assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets. The costs are included in the related right-of-use asset.

ROU assets are depreciated over the shorter period of the lease term and useful life of the underlying asset. If the Company is reasonably certain to exercise a purchase option, the ROU asset is depreciated over the underlying asset's useful life. The depreciation starts at the commencement date of the lease.

The ROU assets are not presented as a separate line in the Balance Sheet but presented below similar owned assets as a separate line in the PPE note under "Notes forming part of the Financial Statement".

The Company applies Ind AS 36- Impairment of Assets to determine whether a ROU asset is impaired and accounts for any identified impairment loss as per its accounting policy on 'property, plant and equipment'.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components when bifurcation of the payments is not available between the two components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

j. Inventories

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

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- (i) Raw materials, Stores and Spares: These are valued at lower of cost and net realisable value. However, material and other items held for use in production of inventories are not written down below cost if the finished products in which they will be incorporated are

Notes to Financial Statements

as at and for the year ended 31st March, 2020

expected to be sold at or above cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

- (ii) Finished goods and work in progress: These are valued at lower of cost and net realisable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost is determined on weighted average basis.
- (iii) Traded goods: These are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

k. Impairment of Non-Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Class of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Non-Financial Assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

l. Retirement and other Employee Benefits

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the Company recognizes contribution payable to the provident fund scheme as expenditure when an employee renders the related service.

The Company has no obligations other than the contribution payable to the respective funds.

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

Short term compensated absences are provided for based on estimates.

The Company treats accumulated leaves expected to be carried forward beyond twelve months as long term employee benefit for measurement purposes. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the end of each financial year. The Company does not have an unconditional right to defer the settlement for the period beyond 12 months and accordingly entire leave liability is shown as current liability.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to statement of profit or loss in subsequent periods.

m. Foreign Currency Translation

Transactions in foreign currencies are initially recorded in reporting currency by the Company at spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement profit or loss are also recognised in OCI or statement profit and loss, respectively).

Notes to Financial Statements as at and for the year ended 31st March, 2020

n. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

(i) Initial Recognition and Measurement

All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the settlement date, i.e., the date that the asset is delivered to or by the Company which generally coincides with the trade date.

(ii) Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- (a) Debt instruments at amortised cost
- (b) Equity instruments at fair value through profit or loss (FVTPL)
- (c) Equity Instruments in subsidiaries

(a) Debt Instruments at Amortised Cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- (i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables, cash and bank balances, loans and other financial assets of the company.

(b) Equity Instruments at Fair Value through Profit or Loss (FVTPL)

All equity investments in scope of Ind AS 109 are measured at fair value except equity investments in subsidiaries which are measured at cost as per Ind AS 27. For equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at Fair Value through Other Comprehensive Income ("FVTOCI"), then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

(c) Equity Instruments in subsidiaries

Equity investments in Subsidiaries are carried at Cost, in accordance with option available in Ind AS 27 "Separate Financial Statements". Investment carried at cost are subject to impairment test as per Ind AS 36 when indication of potential impairment exists.

(iii) De-Recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Company's balance sheet) when the rights to receive cash flows from the asset have expired.

Notes to Financial Statements

as at and for the year ended 31st March, 2020

(iv) Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

As a practical expedient, the Company uses historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates to determine impairment loss allowance on portfolio of its trade receivables.

Financial Liabilities

(i) Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

(ii) Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate ("EIR") method. Gains and losses are recognised in profit or loss when the liabilities are derecognised through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(iii) De-Recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

(iv) Offsetting of Financial Instruments

Financial assets and financial 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.

(v) Derivative Financial Instruments

Initial Recognition and Subsequent Measurement

The Company uses derivative financial instruments, such as forward contracts, interest rate swaps, etc. to hedge its foreign currency risks and interest rate risks and are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit or loss.

o. Fair Value Measurement

The Company measures financial instruments, such as, quoted investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Notes to Financial Statements as at and for the year ended 31st March, 2020

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

- (i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on recurring basis the company determines whenever transfers have occurred between levels in the hierarchy by reassessing categorisation at the end of each reporting period and discloses the same.

p. Cash and Cash Equivalents

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

q. Cash Dividend to Equity Holders

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

r. Earning Per Share

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

s. Segment Reporting

The Company's operating business segments are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

t. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

u. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

2.3 Measurement of fair value

- a. Financial instruments -The estimated fair value of the Company's financial instruments is based on market prices and valuation techniques. Valuations are made with the objective to include relevant factors that market participants would consider in setting a price, and to apply accepted economic and financial methodologies for the pricing of financial instruments. References for less active markets are carefully reviewed to establish relevant and comparable data.
- b. Marketable and non-marketable equity securities - Fair value for listed shares is based on quoted market prices as of the reporting date. Fair value for unlisted shares is calculated based on commonly accepted valuation techniques utilizing significant unobservable data,

Notes to Financial Statements

as at and for the year ended 31st March, 2020

primarily cash flow based models. If fair value cannot be measured reliably unlisted shares are recognized at cost.

- c. Derivatives - Fair value of financial derivatives is estimated as the present value of future cash flows, calculated by reference to quoted price curves and exchange rates as of the balance sheet date. Options are valued using appropriate option pricing models and credit spreads are applied where deemed to be significant

2.4 Critical accounting judgment and key sources of estimation uncertainty

The application of accounting policies requires management to make estimates and judgments in determining certain revenues, expenses, assets, and liabilities. The following paragraphs explain areas that are considered more critical, involving a higher degree of judgment and complexity.

- a. **Impairment of non-current assets** – Ind AS 36 requires that the Company assesses conditions that could cause an asset or a Cash Generating Unit (CGU) to become impaired and to test recoverability of potentially impaired assets. These conditions include internal and external factors such as the Company's market capitalization, significant changes in the Company's planned use of the assets or a significant adverse change in the expected prices, sales volumes or raw material cost. The identification of CGUs involves judgment, including assessment of where active markets exist, and the level of interdependency of cash inflows. CGU is usually the individual plant, unless the asset or asset group is an integral part of a value chain where no independent prices for the intermediate products exist, a group of plants is combined and managed to serve a common market, or where circumstances otherwise indicate significant interdependencies.

In accordance with Ind AS 36, goodwill and certain intangible assets are reviewed at least annually for impairment. If a loss in value is indicated, the recoverable amount is estimated as the higher of the CGU's fair value less cost to sell, or its value in use. Directly observable market prices rarely exist for the Company's assets, however, fair value may be estimated based on recent transactions on comparable assets, internal models used by the Company for transactions involving the same type of assets or other relevant information. Calculation of value in use is a discounted cash flow calculation based on continued use of the assets in its present condition, excluding potential exploitation of improvement or expansion potential.

Determination of the recoverable amount involves management estimates on highly uncertain matters, such as commodity prices and their impact on markets and prices for upgraded products, development in demand, inflation, operating expenses and tax and legal systems. The Company uses internal business plans, quoted market prices and the Company's best estimate of commodity prices, currency rates, discount rates and other relevant information. The Company does not include a general growth factor to volumes or cash flows for the purpose of impairment tests, however, cash flows are generally increased by expected inflation and market recovery towards previously observed volumes.

- b. **Defined Benefit Plans** – The cost of the employment benefits such as gratuity, leave and provident fund obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities, involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 32.

- c. **Environmental liabilities and Asset Retirement Obligation (ARO)** – Estimation of environmental liabilities and ARO require interpretation of scientific and legal data, in addition to assumptions about probability and future costs.
- d. **Taxes** – The Company calculates income tax expense based on reported income. Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax basis that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned tax optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

Notes to Financial Statements as at and for the year ended 31st March, 2020

- e. **Classification of leases** – The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.
- f. **Useful lives of depreciable/ amortisable assets (tangible and intangible)** - Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment
- g. **Expected Credit Loss Model** – The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the Financial Assets. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. As a practical expedient, the Company uses historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates to determine impairment loss allowance on portfolio of its trade receivables.
- h. **Significant judgments when applying Ind AS 115** – Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. The application of revenue recognition accounting standards is complex and involves a number of key judgements and estimates. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer/dealer. The Company makes estimates related to customer performance and sales volume to determine the total amounts earned and incentive to be recorded as deductions. The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of control to the customer, acceptance of delivery by the customer, etc.
- i. **Estimation uncertainty relating to the global health pandemic on COVID-19-** The Company has considered internal and external information up to the date of approval of financial statements in assessing the recoverability of property, plant and equipments, receivables, intangible assets, cash and cash equivalent and investments. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions; the Company expects to recover the carrying amount of these assets. The Company has concluded that the impact of COVID-19 is not material based on these estimates. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

2.5 New Standards / Amendments to Existing Standard issued but not yet effective –

The Ministry of Corporate Affairs has not notified new standards or amendments to the existing standards which would have been applicable from 1st April, 2020.

Notes to Financial Statements as at and for the year ended 31st March, 2020

3. Property, Plant and Equipment

₹ in Lac

Name of Assets	COST OR VALUATION			DEPRECIATION			NET BLOCK		
	As at 1 st April, 2019	Additions	Disposals / Adjustments	As at 31 st March, 2020	As at 1 st April, 2019	Charge for the Year	Disposals / Adjustments	As at 31 st March, 2020	As at 31 st March, 2019
A TANGIBLE ASSETS									
Land & Site Development									
- Freehold	6,279.94	70.36	-	6,350.30	-	-	-	6,350.30	6,279.94
Factory Buildings	14,225.01	446.96	-	14,671.97	2,215.64	533.44	-	11,922.89	12,009.37
Non-Factory Buildings									
- on Freehold Land	11,857.84	269.45	995.80	11,131.49	1,045.26	453.32	30.67	9,663.58	10,812.58
- on Leasehold Land	1,059.11	68.03	-	1,127.14	289.63	206.57	-	630.94	769.48
Storage Yard on Leasehold Land	2,373.66	-	-	2,373.66	1,854.24	334.69	10.43	195.16	519.42
Plant & Machinery	46,858.34	2,617.80	73.93	49,402.21	12,873.22	3,426.43	50.73	33,153.29	33,985.12
Electrical Installations	3,571.66	84.85	175.35	3,481.16	908.20	286.86	15.07	2,301.17	2,663.46
Furniture & Fixtures	2,469.57	321.55	377.53	2,413.57	336.77	215.14	26.04	1,887.70	2,132.80
Office Equipments	1,677.90	107.91	219.13	1,566.68	463.78	244.00	38.66	897.56	1,214.12
Computers	856.64	149.54	82.35	923.83	325.10	150.31	35.26	483.68	531.54
Vehicles	3,182.82	156.44	50.91	3,288.35	1,316.02	281.97	36.68	1,727.04	1,866.80
B RIGHT OF USE ASSETS									
Land	3,440.69	-	-	3,440.69	-	604.41	-	2,836.28	-
Sub Total (A+B)	97,853.18	4,292.87	1,975.00	1,00,171.05	21,627.86	6,737.14	243.54	72,049.59	72,784.63
C INTANGIBLE ASSETS									
Computer Softwares	329.28	2.80	(18.58)	350.66	254.11	18.04	(18.58)	59.93	75.17
Sub Total (C)	329.28	2.80	(18.58)	350.66	254.11	18.04	(18.58)	59.93	75.17
D CAPITAL WORK IN PROGRESS	1,884.03	523.70	1,577.70	830.03	-	-	-	830.03	1,884.03
GRAND TOTAL (A+B+C+D)	1,00,066.49	4,819.37	3,534.12	1,01,351.74	21,881.97	6,755.18	224.96	72,939.55	74,743.83

Notes :

- Vehicles Includes taken against vehicle loan written down Value ₹950.90 Lacs (₹1330.54 Lacs) [Refer Note No. 14].
- Contractual commitments for acquisition of Property, Plant & Equipments is disclosed in Refer Note No.33(i)
- For assets pledged against borrowings Refer Note No.14 & 17

Notes to Financial Statements as at and for the year ended 31st March, 2020

4. INVESTMENTS

₹ in Lac

	Face Value per share	No. of Shares	As at 31 st March 2020	As at 31 st March 2019
Non-Current Investments at fair value through profit or loss (FVTPL)				
Unquoted Equity Instruments				
(i) Investments In Subsidiaries (at cost)				
Auro Sundram Ply & Door Pvt. Ltd.	10	510000	231.80	231.80
Century MDF Ltd.	10	300000	30.00	30.00
Century Ply (Singapore) Pte Ltd. (Net of Impairment)	USD-1	10501926 (5496926)	2,664.93	3,674.61
Centuryply Myanmar Pvt. Ltd.	Kyat 1,00,000	95981 (78800)	5,937.42	4,938.93
Century Gabon SUARL	FCFA 10000	129368 (100)	1,608.50	1.21
Ara Suppliers Pvt. Ltd.	10	1422091	142.21	142.21
Arham Sales Pvt. Ltd.	10	1422091	142.21	142.21
Adonis Vyaper Pvt. Ltd.	10	1422091	142.21	142.21
Apnapan Viniyog Pvt. Ltd.	10	1422091	142.21	142.21
Century Infotech Ltd..	10	3000000	300.00	300.00
Century Panels Ltd.	10	50000	5.00	-
Total			11,346.49	9,745.39
(ii) Investments In Others (at FVTPL)				
Watsun Infrabuild Pvt. Ltd.	10	200223 (320223)	20.02	32.02
Association of Indian Panelboard Manufacturer	10	500	0.50	0.50
Indian Laminate Manufacturer's Association	1000	125	1.25	1.25
Total			21.77	33.77
Aggregate amount of unquoted investment			11,368.26	9,779.16
Aggregate amount of impairment in value of investments			4,563.27	-

5. Loans and Advances (at amortised cost)

Unsecured considered good

₹ in Lac

	Non Current		Current	
	31 st March, 2020	31 st March, 2019	31 st March, 2020	31 st March, 2019
Security Deposits	1,482.96	1,391.47	106.32	89.87
Loans:				
- To a Body corporate	-	-	150.00	150.00
- To a Subsidiary Company (Refer Note No. 41)	-	-	300.00	300.00
Total	1,482.96	1,391.47	556.32	539.87

Notes to Financial Statements

as at and for the year ended 31st March, 2020

6. Other Financial Assets(At Amortised Cost)

₹ in Lac

	Non Current		Current	
	31 st March, 2020	31 st March, 2019	31 st March, 2020	31 st March, 2019
Unsecured considered good				
Advances recoverable in cash or kind	-	-	1,095.84	935.62
Other Receivables	-	-	563.47	421.83
Share Application Money				
- To Subsidiary Companies	-	1,586.07	-	-
Interest accrued on Loans, Deposits etc	-	-	157.62	113.35
Insurance Claim Receivable	-	-	86.58	57.41
Total	-	1,586.07	1,903.51	1,528.21
Due from officer of the Company	-	-	-	7.00

7. Income Tax

₹ in Lac

	31 st March, 2020	31 st March, 2019
(i) Current income tax recognised in Statement of Profit & Loss		
Current income tax	4,834.31	4,514.77
MAT credit entitlement	-	(1,752.49)
Deferred tax:	387.16	2,547.36
Income tax expense reported in the Statement of Profit or Loss	5,221.47	5,309.64
(ii) Current Tax recognised for Other Comprehensive Income (OCI)		
Tax on net loss(gain) on remeasurement of defined benefit plan	18.54	42.93
	18.54	42.93
(iii) Reconciliation of estimated Income tax expenses at Indian Statutory Income tax rate to Income tax expenses reported in the Statement of Profit & Loss		
Accounting profit before income tax	21,038.15	21,185.62
At India's statutory income tax rate	34.61%	34.61%
Estimated Income tax expenses	7,281.30	7,332.34
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Income exempted from tax (80IA, 80IE)	(1,567.20)	(2,146.38)
Others (including Reversal of Deferred tax ₹759.00 lacs Refer Note No.(vii) below)	(492.63)	123.68
Income tax expense reported in the statement of profit and loss	5,221.47	5,309.64
(iv) Deferred Tax Assets		
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	816.79	750.93
Property, Plant & Equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	(2,400.42)	(1,965.93)
Provision for doubtful debts and advances	313.02	313.02
	(1,270.61)	(901.98)
Minimum Alternate Tax Credit Entitlement	7,052.82	7,052.82
Deferred Tax Asset	5,782.21	6,150.84

Notes to Financial Statements as at and for the year ended 31st March, 2020

7. Income Tax (contd.)

₹ in Lac

	31 st March, 2020	31 st March, 2019
(v) Deferred Tax (Net) Recognised in Total Comprehensive Income		
a) Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	65.86	4.52
b) Property, Plant & Equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	(434.49)	(2,511.81)
c) Provision for doubtful debts and advances	-	2.85
d) Minimum Alternate Tax Credit Entitlement	-	1,752.49
	(368.63)	(751.95)

(vi) Movement in deferred tax assets and liabilities:

₹ in Lac

Particulars	As at 1 st April, 2018	Recognised in Statement of Profit & Loss	Recognised in OCI	As at 31 st March, 2019	Recognised in Statement of Profit & Loss	Recognised in OCI	As at 31 st March, 2020
Deferred Tax Assets/(Liabilities)							
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	746.41	(38.41)	42.93	750.93	47.32	18.54	816.79
Property, Plant & Equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	545.89	(2,511.82)	-	(1,965.93)	(434.49)	-	(2,400.42)
Provision for doubtful debts and advances	310.15	2.87	-	313.02	-	-	313.02
Reversal of defer tax during lower tax regime	-	-	-	-	-	-	-
	1,602.45	(2,547.36)	42.93	(901.98)	(387.17)	18.54	(1,270.61)
Minimum Alternate Tax Credit Entitlement *	5,300.33	1,752.49	-	7,052.82	-	-	7,052.82
Deferred Tax Assets	6,902.78	-	-	6,150.84	-	-	5,782.21

* Management is certain that there will be sufficient taxable profit to utilise the MAT credit recognised in the books of accounts.

(vii) The Taxation Law (Amendments) Ordinance 2019 ('the Ordinance'), in India provides an option to domestic companies to pay income-tax at a lower rate of 22% (plus applicable surcharge and cess) instead of the normal rate of 30% (plus applicable surcharge and cess) depending on the conditions specified in this behalf under section 115 BAA of the Income Tax Act, 1961. A domestic company can avail of the lower tax rate only if it opts for not availing of certain exemptions or incentives specified in this behalf in the Ordinance. There is no time limit prescribed under the above to choose the option of lower tax rate under section 115 BAA, however, once chosen it is irreversible. The Company has made an assessment of the impact of ordinance and decided to continue with the existing tax structure until the utilisation of MAT credit entitlement and tax incentives available to the Company. In compliance with the accounting standards, the Company has evaluated the outstanding deferred tax liability and written back an amount of ₹759 lacs to the statement of profit and loss accounts on account of re-measurement of deferred tax liability that is expected to reverse in future when the Company would migrate to the new tax regime.

(viii) The Company has reviewed its income tax treatments in order to determine whether they could have an impact on the financial statements and concluded that it has no material impact on the Company's financial statements. As a practice, where the interpretation of income tax law is not clear, management relies on the some or all of the following factors to determine the probability of its acceptance by the tax authority: • Strength of technical and judicial argument and clarity of the legislation; • Past experience related to similar tax treatments in its own case; • Legal and professional advice or case law related to other entities. After analysing above factors for each of such uncertain tax treatments, where the Company expects that the probability to sustain its position on ultimate resolution of such uncertain tax treatment is remote, the Company ensures that such uncertain tax positions are adequately provided for in the Company's financial Statements.

Notes to Financial Statements

as at and for the year ended 31st March, 2020

8. Other Assets

₹ in Lac

	Non Current		Current	
	31 st March, 2020	31 st March, 2019	31 st March, 2020	31 st March, 2019
Anti Dumping Duty Receivable (Refer Note No. 40)	-	-	176.66	176.66
Capital Advances Against Property, Plant & Equipment	581.42	297.47	-	-
Advance to Vendors	-	-	2,801.32	5,610.01
Deposits against Demand under Disputes	-	-	67.43	114.03
Balance with Statutory/Government Authorities	-	-	164.55	-
Central/State Government Subsidies Receivable	-	-	1,207.38	1,717.79
Prepaid Expenses	133.61	470.24	353.87	609.32
Total	715.03	767.71	4,771.21	8,227.81

9. Inventories

₹ in Lac

	Notes	31 st March, 2020	31 st March, 2019
(At Lower of Cost and Net Realisable Value)			
Raw Materials	26	15,509.85	19,114.37
Work-in-Progress	27	3,368.40	4,139.52
Stock in Trade	27	2,421.15	3,422.43
Finished Goods	27	10,927.02	10,390.32
Stores & Spares Parts, etc		3,183.95	3,030.81
Total		35,410.37	40,097.45
Note:-			
The above includes Stock-in-Transit			
Raw Materials		1,556.93	1,285.22
Stock in Trade		246.40	635.54
Inventories are pledged against the cash credit limit obtained by the Company.			
During the year ₹321.10 lacs (31 st March, 2019: ₹298.79 lacs) was charged to the Statement of Profit and Loss on account of damage and slow moving inventory.			

Notes to Financial Statements

as at and for the year ended 31st March, 2020

10. Trade Receivables

₹ in Lac

	Current	
	31 st March, 2020	31 st March, 2019
Trade Receivables (Unsecured)		
Considered Good	25,815.95	29,355.43
Considered Doubtful	895.76	895.76
	26,711.71	30,251.19
Less: Provision for doubtful trade receivables	895.76	895.76
Total	25,815.95	29,355.43
Refer Note No. 41 for Related Party disclosure		
Trade receivables are pledged against the cash credit limit obtained by the Company.		
Trade receivables are non-interest bearing and are generally on terms of 45 days.		
No debts are due from Directors or other Officers of the Company		

11. Cash and Bank Balances

₹ in Lac

	31 st March, 2020	31 st March, 2019
	(i) Cash and Cash Equivalents	
Cash on hand	44.47	43.48
Balances with Banks		
On Current accounts	1,795.54	1,812.00
Cheques/Drafts on hand	9.77	102.16
Total	1,849.78	1,957.64
Note: There is no repatriation restrictions with regard to cash and cash equivalent as at the end of the reporting period and prior periods		
(ii) Bank Balances other than above		
Margin Money Deposits with Original Maturity of more than 3 months but less than 12 months	245.43	280.39
Unpaid Dividend Account	26.90	23.19
Total	272.33	303.58

12. Equity Share Capital

₹ in Lac

	31 st March, 2020	31 st March, 2019
	Authorised	
65,05,00,000 (65,05,00,000 as at 31 st March, 2019) Equity Shares of ₹1/- each	6,505.00	6,505.00
15,00,000 (15,00,000 as at 31 st March, 2019) Preference Shares of ₹10/- each	150.00	150.00
50,000 (50,000 as at 31 st March, 2019) Preference Shares of ₹100/- each	50.00	50.00
Total	6,705.00	6,705.00
Issued		
22,35,52,990 (22,35,52,990 as at 31 st March, 2019) Equity Shares of ₹1/- each	2,235.53	2,235.53
Total	2,235.53	2,235.53
Subscribed and Paid up		
22,21,72,990 (22,21,72,990 as at 31 st March, 2019) Equity Shares of ₹1/- each	2,221.73	2,221.73
Add: Amount received on forfeited shares (FY 2001-02)	3.54	3.54
Total	2,225.27	2,225.27

a) There is no change in number of shares in current year and last year.

Notes to Financial Statements

as at and for the year ended 31st March, 2020

12. Equity Share Capital (contd.)

b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	31 st March, 2020		31 st March, 2019	
	No. of Shares	₹ in Lac	No. of Shares	₹ in Lac
At the beginning of the year	22,21,72,990	2,221.73	22,21,72,990	2,221.73
Issued during the year	-	-	-	-
Outstanding at the end of the year	22,21,72,990	2,221.73	22,21,72,990	2,221.73

c) Terms/Rights attached to the Equity Shares

The Company has only one class of equity shares having par value of ₹1/- per share. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholdings.

d) The Company does not have any Holding/ Ultimate Holding Company. As such, no shares are held by them or their Subsidiaries/ Associates

e) Details of Shareholders holding more than 5% shares in the Company

	31 st March, 2020		31 st March, 2019	
	No. of Shares	% holding	No. of Shares	% holding
Sri Sajjan Bhajanka	2,62,14,037	11.80%	2,57,34,402	11.58%
Sri Sanjay Agarwal	2,48,80,460	11.20%	2,47,56,383	11.14%
Smt. Divya Agarwal	1,67,49,750	7.54%	1,67,49,750	7.54%
Smt. Santosh Bhajanka	1,54,49,500	6.95%	1,54,49,500	6.95%
Sri Vishnu Khemani	1,27,86,900	5.76%	1,27,47,000	5.74%

As per records of the Company, including its register of members as at 31st March, 2020, the above shareholding represents legal ownerships of shares.

f) There are NIL (Previous year NIL) shares reserved for issue under option and contracts/commitment for the sale of shares/disinvestment.

g) During the period of five years immediately preceding the reporting date:

- No shares were issued for consideration other than cash
- No bonus shares were issued
- No shares were bought back

h) There are NIL (Previous year NIL) securities convertible into Equity/ Preference Shares.

i) There are NIL (Previous year NIL) calls unpaid including calls unpaid by Directors and Officers as on the balance sheet date.

j) No shares were forfeited during the year or during the previous year. 1,38,000 equity shares of ₹10/-each (post split 13,80,000 equity shares of ₹1 each) on which ₹3.54 lacs had been paid up, were forfeited in the year 2001-2002

13. Other Equity

	₹ in Lac	
	31 st March, 2020	31 st March, 2019
Amalgamation Reserve	317.40	317.40
Securities Premium Reserve	1,892.77	1,892.77
General Reserve	990.19	990.19
Capital Redemption Reserve	50.00	50.00
Total	3,250.36	3,250.36

Notes to Financial Statements as at and for the year ended 31st March, 2020

13. Other Equity (contd.)

	31 st March, 2020	31 st March, 2019
Retained Earnings		
Balance at the beginning of the year	91,437.01	78,319.35
Item of the Other Comprehensive Income recognised in retained earnings.	(34.52)	(79.91)
Add: Profit for the year	15,816.68	15,875.98
Less: Appropriations		
Payment of Final Dividend for the year 2018-19 (2017-18)	2,221.73	2,221.73
Tax on final dividend for the year 2018-19 (2017-18)	456.68	456.68
Interim Dividend ₹1 (NIL) per share for the year 2019-20 (Refer Note No.47)	2,221.73	-
Tax on Interim Dividend for the year 2019-20	456.68	-
Total Appropriations	5,356.82	2,678.41
Balance at the end of the year	1,01,862.35	91,437.01
Total	1,05,112.71	94,687.37

Amalgamation Reserve:- This reserve was created on amalgamation of Shyam Century Ferrous Limited with the company during the financial year 2005-2006

Securities Premium Reserve:- This reserve had been created on issue of shares by way of public issue and right issue

General Reserve:- General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purpose. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Capital Redemption Reserve:- This reserve was created upon redemption of preference shares by the Company in FY 2012-2013.

14. Borrowings (At Amortised Cost)

₹ in Lac

	Non Current		Current	
	31 st March, 2020	31 st March, 2019	31 st March, 2020	31 st March, 2019
Term Loans (Secured)				
Indian Rupee Loan from Banks	-	5,393.52	-	1,447.14
Foreign Currency Loan from Banks	5,150.43	7,217.94	2,716.57	3,063.10
Other Loans (Secured)				
Auto,Car/Vehicle Loan				
- From banks	142.81	615.11	472.30	512.05
- From Bodies Corporate	-	-	-	8.90
	5,293.24	13,226.57	3,188.87	5,031.19
Amount disclosed under the head " Other Current Financial Liabilities" (Refer Note No. 19)			(3188.87)	(5031.19)
Total	5,293.24	13,226.57	-	-

Notes:-

- Foreign currency term loan of ₹4757.17 Lacs (31st March 2019 : ₹6390.23) carries interest @6 months LIBOR + 1.30% p.a (31st March 2019 @6 months LIBOR + 1.30% p.a.). The loan is repayable in 16 unequal quarterly installments by 31st March 2023 and is secured/to be secured by 1st charge on all the fixed assets pertaining to the Plywood Unit at Bishnupur, West Bengal on pari passu basis with other term lenders.
- Foreign currency term loan of ₹3109.83 Lacs (31st March, 2019 : ₹3890.81 lacs) carries interest @ 6 Months LIBOR + 1.25% p.a. (31st March 2019 @ 6 Months LIBOR + 1.25% p.a.). The Loan is repayable in 16 equal quarterly instalments commencing from January 2019 & ending by October 2022 and is secured/to be secured by 1st charge on all the Fixed Assets of the Plywood Unit at Bishnupur West Bengal on pari passu basis with other term lenders.

Notes to Financial Statements

as at and for the year ended 31st March, 2020

14. Borrowings (At Amortised Cost) (contd.)

- (c) Term loan of ₹ NIL (31 March 2019: ₹6840.66 Lacs) carries interest @ NIL (31st March 2019 @ MCLR 8.65%). The Loan has been fully prepaid during the year.
- (d) Auto,Car/Vehicle loans are secured by hypothecation of the assets purchased, and carrying interest between 8.41% p.a to 9.90% p.a (2018-19 8.41% to 9.85% p.a).

15. Other Financial Liabilities

₹ in Lac

	Non Current	
	31 st March, 2020	31 st March, 2019
Trade Deposits	1,726.80	1,516.59
Amount disclosed under the head Other Current Financial Liabilities (Refer Note No.19)	(1,726.80)	(1,516.59)
Total	-	-

16. Other Non Current Liabilities

₹ in Lac

	31 st March, 2020	31 st March, 2019
Deferred Revenue		
At 1 st April	123.51	143.40
Add: Capital Subsidy received during the year	262.45	-
Less: Released to the Statement of Profit and Loss	101.40	19.89
At 31 st March	284.56	123.51
Current (Amount Disclosed under the head Other Current Liabilities)(Refer Note No.21)	69.58	67.90
Non-current	214.98	55.61

The deferred revenue relates to the asset related government grant received, the same has been accounted for as deferred revenue and proportionately recognised in Statement of Profit and Loss.

17. Short Term Borrowings (At Amortised Cost)

₹ in Lac

	31 st March, 2020	31 st March, 2019
Loans repayable on demand		
Cash Credit from banks (Secured)	276.65	19,186.99
Others		
- From Directors	5,351.88	-
- From Bodies Corporate (Unsecured)	4,264.04	-
Other Loans and advances		
Short Term Loan from Bank (Unsecured)	-	5,000.00
Buyers Credit from banks (Secured)		
- For Capital Expenditure	-	4,109.21
- For Raw Materials	3,242.39	37.42
Packing Credit (Secured)	3,695.00	5,300.00
Total	16,829.96	33,633.62

Notes:-

- a) Cash Credit and Buyer's Credit from banks amounting to ₹3519.04 lacs (31st March, 2019 : ₹23333.62 lacs) are secured by way of first charge on current assets (both present and future) of the company.
- b) The cash credit is repayable on demand and carries interest @ 8.25% to 9.85% p.a. (31st March, 2019 : 8.35% to 10.55%)
- c) Buyers credit carries interest @ LIBOR plus 0.90% to 1.75% p.a (2018-19 0.60% to 1.40% p.a) and is repayable in 90-180 days.
- d) Rate of Interest for Packing Credit is 3.75% to 5.75% p.a (2018-19 5.50% to 6.00% p.a.)
- e) Rate of Interest for unsecured loan from Directors & Bodies Corporate is 5.00% p.a (2018-19 7.50% p.a.)

Notes to Financial Statements as at and for the year ended 31st March, 2020

18. Trade Payables (At Amortised Cost)

₹ in Lac

	31 st March, 2020	31 st March, 2019
- Dues to Micro and Small Enterprises (Refer Note No.34)	975.36	1,558.34
- Dues to Others	15,132.28	14,692.40
Total	16,107.64	16,250.74

Trade payables and acceptances are non-interest bearing and are normally settled on 30 day terms.

For terms and conditions with related parties, Refer Note No.41

19. Other financial liabilities (At amortised cost)

₹ in Lac

	31 st March, 2020	31 st March, 2019
Current Maturities of Long Term Debts (Refer Note No.14)	2,716.57	4,510.24
Current maturities on Vehicle Loan Obligations (Refer Note No.14)	472.30	520.95
Current maturities of Other Non Current Financial Liabilities (Refer Note No.15)	1,726.80	1,516.59
Interest accrued but not due on borrowings	22.47	131.38
Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	26.90	23.19
Capital Creditors	389.17	619.81
Employee related liabilities	3,680.70	4,352.26
Total	9,034.91	11,674.42

20. Contract Liabilities

₹ in Lac

	31 st March, 2020	31 st March, 2019
Advances from Customers	1,033.27	631.28
Total	1,033.27	631.28

21. Other Current Liabilities

₹ in Lac

	31 st March, 2020	31 st March, 2019
Statutory Dues Payable*	2,081.64	3,051.65
Deferred Revenue (Refer Note No.16)	69.58	67.90
Total	2,151.22	3,119.55

* Includes ₹1425.10 lacs (₹1425.10 lacs) net of payments pertaining to Entry Tax on entry of certain goods into a local area of the State of West Bengal.

The Company has challenged the legal validity of levy of the Entry Tax before Calcutta High Court. The High Court has subsequently transferred the matter to the West Bengal Taxation Tribunal.

22. Provisions

₹ in Lac

	Non Current		Current	
	31 st March, 2020	31 st March, 2019	31 st March, 2020	31 st March, 2019
Provision for Employee Benefits				
Gratuity	640.13	195.56	-	419.72
Leave Encashment	-	-	706.64	532.06
Total	640.13	195.56	706.64	951.78

Notes to Financial Statements

as at and for the year ended 31st March, 2020

23. Current tax liabilities(net)

₹ in Lac

	31 st March, 2020	31 st March, 2019
Provision for Taxation (Net of Advance Tax)	816.57	-
Total	816.57	-

24. Revenue from Operations

₹ in Lac

	2019-2020	2018-2019
Revenue from Operations		
Sale of Products	2,18,397.79	2,14,843.49
Income from Services	8,625.61	9,918.49
Other Operating revenue		
Scrap Sales	79.93	111.61
Export Incentives	865.42	914.75
Indirect Tax Subsidy	254.30	404.60
Miscellaneous Income	44.65	189.66
Total	2,28,267.70	2,26,382.60

₹ in Lac

	2019-2020	2018-2019
Details of Products Sold		
Plywood & Block board	1,16,352.02	1,16,913.25
Laminates	45,454.63	43,219.11
Pre-Laminated Particle Boards	6,676.89	6,905.02
Veneer	6,739.79	10,400.49
Particle Board	3,076.72	2,797.17
Medium Density Fibre Board	35,220.72	29,580.42
Agri Products	574.12	510.84
Phenol	751.76	1,493.19
Others	3,551.14	3,024.00
Total	2,18,397.79	2,14,843.49
Details of Income from Services		
Container Freight Station Services	8,625.61	9,918.49
Total	8,625.61	9,918.49

Reconciliation of Revenue from sale of products with the contracted price

₹ in Lac

	31 st March, 2020	31 st March, 2019
Contracted Price	2,28,382.71	2,26,131.63
Less: Trade discounts, volume rebates, etc.	9,984.92	11,288.14
Sale of products	2,18,397.79	2,14,843.49

1. Refer Note No. 45 for disaggregated revenue information

2. Other Information

- The Company satisfies its performance obligation on shipment/delivery as per terms of contract.
- The contract does not have any financing component.

Notes to Financial Statements

as at and for the year ended 31st March, 2020

25. Other Income

₹ in Lac

	2019-2020	2018-2019
Interest Income on loan given to Subsidiaries	30.00	30.00
Interest Income from financial assets at amortised cost	116.66	372.54
Insurance and Other Claims	30.03	19.27
Unspent/Unclaimed liabilities written back	5.28	5.08
Profit on disposal of property, plant and equipment	509.47	92.16
Bad Debts Recovered	0.61	0.85
Foreign Exchange Fluctuations (Net)	204.75	-
Net gain on sale of Investments carried at FVTPL	110.28	-
Miscellaneous Receipts	-	85.25
Government Grant	101.40	-
Total	1,108.48	605.15

26. Cost of Materials Consumed

₹ in Lac

	2019-2020	2018-2019
Inventories at the beginning of the year	19,114.37	14,630.56
Add : Purchases	81,478.13	99,127.00
	1,00,592.50	1,13,757.56
Less : Inventories at the end of the year	15,509.85	19,114.37
Cost of Materials Consumed	85,082.65	94,643.19
Details of Material Consumed		
Timber Logs	9,762.44	12,625.14
Veneer	25,971.71	29,636.28
Chemicals	21,050.80	23,309.96
Paper	17,415.09	19,491.15
Waste Wood	10,865.69	9,220.28
Particle Board	16.92	360.38
Total	85,082.65	94,643.19
Details of Closing Stock of Materials		
Timber Logs	1,952.77	3,735.14
Veneer	6,874.73	7,743.04
Chemicals	1,315.42	1,578.50
Paper	4,684.62	5,150.22
Particle Board	29.43	34.52
Waste Wood	652.88	872.95
Total	15,509.85	19,114.37

Notes to Financial Statements

as at and for the year ended 31st March, 2020

27. Purchase of Stock-in-Trade and Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

₹ in Lac

	2019-2020	2018-2019
Inventories at the beginning of the year		
Stock in Trade	3,422.43	4,603.40
Finished Goods	10,390.32	8,927.82
Work-in-Progress	4,139.52	3,381.91
	17,952.27	16,913.13
Inventories at the end of the year		
Stock in Trade	2,421.15	3,422.43
Finished Goods	10,927.02	10,390.32
Work-in-Progress	3,368.40	4,139.52
	16,716.57	17,952.27
Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	1,235.70	(1,039.14)
Details of Purchase of Stock in Trade		
Plywood and Block boards	22,397.53	19,689.43
Veneer	2,201.49	780.99
Chemicals	562.84	610.54
Pest Control Kits	19.17	39.58
Phenol	736.62	1,463.17
Others	2,592.37	1,967.96
Total	28,510.02	24,551.67
Details of Inventories at the end of the year		
Stock in Trade		
Plywood and Block board	1,338.87	2,105.82
Chemicals	89.26	82.01
Pest Control Kits	45.21	65.20
Veneer	377.48	634.37
Others	570.33	535.03
Total	2,421.15	3,422.43
Finished Goods at the end of the year		
Plywood and Block board	4,199.72	3,526.78
Laminates	3,351.54	3,091.28
Pre-Laminated Particle Boards	1.36	1.36
Medium Density Fibre board	2,126.65	1,005.77
Veneer	1,247.75	2,765.14
Total	10,927.02	10,390.32
Work-in-Progress at the end of the year		
Plywood and Block board	1,849.52	2,470.50
Laminates	994.08	1,343.55
Medium Density Fibre Board	148.70	325.47
Pre-Laminated Particle Boards	376.10	-
Total	3,368.40	4,139.52

Notes to Financial Statements as at and for the year ended 31st March, 2020

28. Employee Benefits Expense

₹ in Lac

	2019-2020	2018-2019
Employee Benefits Expense		
Salaries, Wages, Bonus etc	31,839.93	30,353.82
Contribution to Provident, Gratuity and other Funds	2,142.94	1,964.11
Employees Welfare Expenses	430.11	451.57
Total	34,412.98	32,769.50

29. Finance Cost (at effective interest rate)

₹ in Lac

	2019-2020	2018-2019
Interest Expenses (including interest on Lease ₹245.54 lacs (₹ NIL lacs)	2,815.08	3,157.29
Exchange difference to the extent considered as an adjustment to borrowing costs	789.87	922.14
Other Borrowing cost	119.53	378.28
Total	3,724.48	4,457.71
(For interest paid to Related Parties, Refer Note No.41)		

30. Depreciation and Amortisation Expense

₹ in Lac

	2019-2020	2018-2019
Depreciation on Tangible Assets (including ROU assets) (Refer Note No.3)	6,737.14	4,985.27
Amortisation of Intangible Assets(Refer Note No.3)	18.04	13.54
Total	6,755.18	4,998.81

31. Other Expenses

₹ in Lac

	2019-2020	2018-2019
Stores & Spare parts consumed	2,770.12	3,013.61
Power and Fuel	8,343.26	8,415.01
Insurance	355.84	326.30
Rent	838.18	1,896.70
Rates & Taxes	357.14	193.56
Repairs & Maintenance		
-Property	274.63	267.34
-Plant and Equipment	1,178.95	1,211.99
-Others	700.25	862.16
Transport & Freight	11,745.40	11,984.23
Commission on Sales	734.82	960.94
Advertisement, Publicity and Sales Promotion	8,847.59	7,488.20
Communication Expenses	275.27	297.67
Directors' Sitting Fees and Commission	55.50	55.75
Auditors' Remuneration *	45.77	32.26
Corporate Social Responsibility Activities (Refer Note No.38)	444.92	430.02
Charity and Donations	146.18	560.81
Foreign Exchange Fluctuations (Net)	-	706.66
Irrecoverable Debts, Advances written off	67.08	148.57
Provision for Doubtful Debts	27.24	38.34
Miscellaneous Expenses	6,845.61	6,530.27
Total	44,053.75	45,420.39
* Payment to Auditors		
As Auditor		
Audit Fees	26.00	24.00
For Other Services (inclusive of fees for review of quarterly financial results of ₹9 lac)	19.35	8.10
Reimbursement of Expenses	0.42	0.16
Total	45.77	32.26

Notes to Financial Statements as at and for the year ended 31st March, 2020

32. Gratuity and Other Post Employment Benefit Plans

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with an insurance company.

The Company also extends benefit of compensated absences to the employees, whereby they are eligible to carry forward their entitlement of earned leave for encashment upon retirement/separation. This is an unfunded plan.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the Post - retirement benefit plans.

I. Expenses Recognised in the Statement of Profit & Loss		₹ in Lac	
	31 st March, 2020	31 st March, 2019	
1. Current / Past Service Cost	392.25	357.57	
2. Net Interest expense	30.04	39.02	
Components of defined benefit cost recognised in P/L	422.29	396.59	
3. Re-measurement - Due to Financial Assumptions	119.78	32.01	
4. Re-measurement - Due to Experience Adjustments	(80.73)	98.98	
5. Return on Plan Assets (Excluding Interest Income)	14.01	(8.15)	
Components of defined benefit cost recognised in OCI	53.06	122.84	
Total Expense	475.35	519.43	

II. Net Asset/ (Liability) recognised in the Balance Sheet		₹ in Lac	
	31 st March, 2020	31 st March, 2019	
1. Present Value of Defined Benefit Obligation	4,006.37	3,527.48	
2. Fair Value of Plan Assets	3,366.24	2,912.20	
3. Net Asset / (Liability)	(640.13)	(615.28)	

III. Change in Obligation during the Year		₹ in Lac	
	31 st March, 2020	31 st March, 2019	
1. Present Value of Defined Benefit Obligation at the beginning of the year	3,527.48	3,006.08	
2. Current Service Cost/Plan amendments	392.25	357.57	
3. Interest Cost	263.31	224.10	
4. Benefits Paid	(215.72)	(191.26)	
5. Re-measurements - Due to Financial Assumptions	119.78	32.01	
6. Re-measurements - Due to Experience Adjustments	(80.73)	98.98	
7. Present Value of Defined Benefit Obligation at the end of the year	4,006.37	3,527.48	

IV. Change in the Fair Value of Plan Assets during the year		₹ in Lac	
	31 st March, 2020	31 st March, 2019	
1. Plan assets at the beginning of the year	2,912.19	2,403.66	
2. Interest Income	233.28	185.08	
3. Contribution by employer	450.50	506.56	
4. Actual Benefit Paid	(215.72)	(191.26)	
5. Re-measurement - Return on Assets (Excluding Interest Income)	(14.01)	8.15	
6. Closing Fair Value of Plan Assets	3,366.24	2,912.19	

V. In 2020-21 the Company expects to contribute ₹416.67 Lacs (2018-19: ₹392.34 Lacs) to gratuity.

VI. The Major Categories of Plan Assets as a Percentage of the Fair Value of Total Plan Assets

	31 st March, 2020	31 st March, 2019
Investments with insurer	100%	100%

Notes to Financial Statements as at and for the year ended 31st March, 2020

32. Gratuity and Other Post Employment Benefit Plans (contd.)

VII. Actuarial Assumptions

	31 st March, 2020	31 st March, 2019
1. Discount Rate	6.70%	7.70%
2. Expected rate of return on plan assets	6.70%	7.70%
3. Mortality rate	Indian Assured Lives Mortality (2006-08) (modified) Ult.	Indian Assured Lives Mortality (2006-08) (modified) Ult.
4. Salary increase	6%	6%
5. Withdrawal rates	1% - 8%	1% - 8%

VIII. The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

IX. Contribution to Provident and Other Funds includes ₹1,290.31 lacs (2018-19 - ₹1,058.78 lacs) paid towards Defined Contribution Plans

X. A quantitative sensitivity analysis for significant assumption is as shown below:

Assumptions	31 st March, 2020		31 st March, 2019	
	Discount Rate		Discount Rate	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
	₹ in Lac	₹ in Lac	₹ in Lac	₹ in Lac
Impact on Gratuity	(314.04)	363.65	(272.99)	313.48

Assumptions	31 st March, 2020		31 st March, 2019	
	Future Salary Increases		Future Salary Increases	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
	₹ in Lac	₹ in Lac	₹ in Lac	₹ in Lac
Impact on Gratuity	357.85	(282.96)	321.37	(285.11)

Assumptions	31 st March, 2020		31 st March, 2019	
	Withdrawal Rates		Withdrawal Rates	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
	₹ in Lac	₹ in Lac	₹ in Lac	₹ in Lac
Impact on Gratuity	13.78	(15.93)	32.61	(37.01)

Sensitivities due to mortality are not material and hence impact of change is not calculated.

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

XI. Maturity Profile of Defined Benefit Obligations

	₹ in Lac	
	As on 31 st March, 2020	As on 31 st March, 2019
Year 1	429.19	419.72
Year 2	300.58	370.86
Year 3	359.20	253.76
Year 4	372.78	277.34
Year 5	370.53	280.20
Next 5 Years	3036.96	1739.71

Notes to Financial Statements

as at and for the year ended 31st March, 2020

33. Commitments and Contingencies

(i) Capital and Other Commitments

₹ in Lac

	As on 31 st March, 2020	As on 31 st March, 2019
Commitment for Acquisition of Property, Plant & Equipment (Net of Advance)	1,235.13	696.00
Letter of Credit issued by Banks	2,700.58	3,792.52

(ii) Contingent Liabilities

₹ in Lac

	As on 31 st March, 2020	As on 31 st March, 2019
Demands/Claims by various Government Authorities and Others not acknowledged as Debt:		
Excise Duty / Service Tax	1,055.20	1,081.59
Sales Tax / VAT	925.81	1,722.24
Income Tax	2,259.31	119.79
Others (Outstanding Amount at the year-end)	830.07	693.75
Un-Redeemed Bank Guarantees	805.35	710.50
Bills Discounted with Banks	97.28	-
Excise Duty Refund Claim *	1,181.04	-

* The Company has claimed refund of 50% of differential excise duty paid in cash, for its plywood unit in north-east India, on the basis of favourable decision by Hon'ble Guwahati High Court, which was passed relying on the decision by Hon'ble Supreme Court in the case of M/s V.V.F Limited & others versus the Union of India. However, the Hon'ble Supreme Court, vide its judgement dated 22 April 2020, has reversed its earlier decision in the case of M/s V.V.F Limited, mentioned herein, and allowed the subsequent and amended notifications issued by revenue authority which replaced the 100% excise duty refund benefit as envisaged in original notification no. 20/2007, with refund equivalent to specified percentage of excise duty payable based on value addition and held that the amended notifications was clarificatory in nature and is not hit by doctrine of promissory estoppel. The objective of the amended notifications was to prevent tax evasion by some of the unscrupulous assesseees by misusing the benefit granted vide the original notification and therefore doctrine of promissory estoppel cannot be invoked when the public interest warrants.

Being aggrieved by this judgement, the Company is in the process of preferring an appeal before the appropriate forum against the same, as the act of some unscrupulous assessee cannot be considered as basis to implement a judgement that has an adverse impact on the genuine manufacturers and the said act of the revenue authority cannot be said to be in public interest. Further, based on the legal advice obtained by the Company from External Counsel, as well as its own assessment, there is every likelihood of the Company's appeal being allowed and consequent reversal of the above judgement by the Hon'ble Supreme Court.

In view of the above, reversal of income which was previously recognized in the books of accounts, amounting to ₹1,181.04 lacs, is not required.

Note: Based on discussion with the solicitors/favourable decisions in similar cases/legal opinion taken by the Company, the management believes that the outflow of resources is not probable and hence, no provision there against is considered necessary.

34. Based on the information/documents available with the Company, information as per the requirements of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

₹ in Lac

	2019 - 20	2018 - 19
Principal Amount due	975.36	1,558.34
Interest due on above	-	-
Amount of interest paid in terms of Sec 16 of the Micro, Small and Medium Enterprise Development Act 2006	-	-
Amount of interest due and payable for the period of delay Amount of Interest accrued and remaining unpaid as at year end	-	-
Amount of further interest remaining due and payable in the succeeding year	-	-

Notes to Financial Statements as at and for the year ended 31st March, 2020

35. Leases

Effective 1st April 2019 the Company adopted Ind AS 116 "Lease" using modified retrospective approach in accordance with the modified retrospective transition method, the comparative have not been retrospectively adjusted. The adoption of Ind AS 116 has the following impact.

(A) The Company recognized ROU assets for the following asset categories

ROU Asset Category	As at 1 st April, 2019
Land	3,440.68
Total	3,440.68

(B) The change in accounting policy affected the following items in Balance Sheet-

	(₹ in Lac)
	As at 1 st April, 2019
Prepaid rent decreased by	381.56
Right of Use asset increased by	3,440.68
Deferred Tax Asset increased by	-
Lease liability increased by	3,059.12

(C) The operating cash flow for the Year Ended 31st March 2020 has increased by ₹603.72 lacs and the financing cash flows have decreased by ₹603.72 lacs as repayment of lease liabilities and related interest has been classified as cash flows from financing activities.

(D) Practical Expedients applied on initial application date.

- i. The Company has not reassessed whether a contract is or contains a lease at the date of initial application.
- ii. The Company has utilised the exemptions provided for short-term leases (less than a year) and leases for low value assets.
- iii. The Company has utilised hindsight in determining the lease terms where contracts contained options to extend or terminate the lease
- iv. Initial direct costs are excluded from the measurement of right-of-use assets at the date of initial application.
- v. The Company has used a single discount rate to a portfolio of leases with reasonable similar characteristics based on the remaining lease term as at the date of initial application.
- vi. The Company has relied on its previous assessment on whether leases are onerous.
- vii. The weighted average of the Company's incremental borrowing rate applied to lease liabilities at the date of initial applications was 10 %
- viii. The Company has carried forward the amount of the Finance Lease Assets (reclassified as ROU asset) and Lease Liability recognised under Ind AS 17 immediately before the date of initial application

(E) A reconciliation of the operating lease commitments at 31st March, 2019, disclosed in the Company's 2018-19 financial statements, to the lease liabilities recognised in the statement of financial position is provided below:

Particulars	₹ in Lacs
Operating lease commitments disclosed as at 31st March 2019	
Gross lease liabilities recognised as at 1 st April 2019	5,557.44
Effect of discounting	2,498.32
Lease liabilities recognised as at 1 st April 2019	3,059.12

Notes to Financial Statements as at and for the year ended 31st March, 2020

36. Capital Management

The Company's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various shareholders but keep associated cost under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Apart from internal accrual, sourcing of capital is done through judicious combination of equity and borrowing, both the short term and long term. Net debt (total borrowing less current investment and cash & cash equivalent) to equity ratio is used to monitor capital. No changes were made to the objective, policies or process for managing capital during the year ended 31st March, 2020 and 31st March, 2019.

	As at 31 st March, 2020	As at 31 st March, 2019
Debt Equity Ratio	0.22	0.52

As at 31st March, 2020 and 31st March, 2019, the Company was in compliance with all of its debt covenants for borrowings.

37. Derivative Instruments and Unhedged Foreign Currency Exposure

a) The particulars of hedged foreign currency exposures as on the balance sheet date are as follows: (₹ in Lac)

Nature of Item	As on 31 st March, 2020	As on 31 st March, 2019
Foreign Currency Term Loans	7,539.00	-

b) The particulars of unhedged foreign currency exposures as on the balance sheet date are as follows: (₹ in Lac)

Nature of Item	As on 31 st March, 2020	As on 31 st March, 2019
Foreign Currency Term Loans	328.01	10,281.04
Buyer's Credit	3,242.39	4,146.63
Trade Receivables	1,695.93	1,972.65
Trade Payables	3,334.18	3,550.94
Trade Advances	1,718.21	4,976.69
Bank Balance	-	0.58

38. The Company has a Corporate Social Responsibilities ("CSR") committee as per the provisions of Section 135 of the Companies Act, 2013 read with Rules made thereunder. The main areas for CSR activities are promoting education, healthcare, animal welfare and projects ensuring environment sustainability. Disclosures of Corporate Social Responsibility expenditure in line with the requirement of Guidance Note on "Accounting for Expenditure on Corporate Social Responsibility Activities" is as under:-

	2019-20	2018-19
Amount of CSR expenditure to be incurred during the year	438.58	426.84
CSR expenditure (Revenue Nature) incurred during the year	444.92	430.02

Notes to Financial Statements as at and for the year ended 31st March, 2020

39. DISCLOSURES PURSUANT TO SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECTION 186 OF THE COMPANIES ACT, 2013

a) Details of investments made have been given as part of Note '4' Investments in Subsidiary and Other Investments. Maximum amount invested in Mutual Funds during the year for cash management purpose was ₹9,535.14 Lacs.

b) Details of Loans and Guarantees given below: (₹ in Lac)

Name of the Company	Relationship	Nature of Transactions	Balance as on 31 st March, 2020 *		Maximum Amount Outstanding at any time during the Year*	
			31 st March, 2020	31 st March, 2019	2019-20	2018-19
Auro Sundram Ply & Door Pvt. Ltd.*	Subsidiary	Loans	300.00	300.00	300.00	300.00
Fine Wood Products Pvt Ltd.	Other	Loans	20.00	100.00	100.00	100.00
Tiru Complex LLP	Other	Loans	50.00	50.00	50.00	50.00
Good View Agencies Pvt. Ltd.	Other	Loans	80.00	-	80.00	-
Skipper Ltd.	Other	Loans	-	-	1000.00	1000.00
Precise Capital Markets	Other	Loans	-	-	50.00	50.00
Auro Sundram International Pvt. Ltd.	Other	Loans	-	-	1300.00	1000.00
Channel Financing to Dealers & Distributors**	Other	Guarantee	830.07	693.75	830.07	693.75

*excluding interest

** Reported to the extent balance outstanding against Guarantees issued amounting to ₹3369.37 Lacs

c) Investment by the loanees in the shares of the Company

The loanees have not made any investments in the shares of the Company

40. The Company has paid anti-dumping duty till date amounting to ₹176.66 lacs (Till 31st March 2019: ₹176.66 lacs) on import of phenol which in opinion of the management and based on a legal opinion, is in excess of actual margin of dumping of said materials and accordingly refundable in terms of Section 9AA of Custom Tariff Act, 1975 and hence the same is considered as receivable and included under the head Note no. 8 on "Other Current Assets".

41. Related Party Disclosure:

a) Name of the Related Parties and Related Party Relationship:

Related Parties where control exists:

Subsidiary Companies	
	Auro Sundram Ply & Door Pvt. Ltd.
	Ara Suppliers Pvt. Ltd.
	Arham Sales Pvt. Ltd.
	Adonis Vyaper Pvt. Ltd.
	Apnapan Viniyog Pvt. Ltd.
	Centuryply Myanmar Pvt. Ltd.
	Century MDF Ltd.
	Century Infotech Ltd.
	Century Ply (Singapore) Pte Ltd.
	Century Ply Laos Co. Ltd.
	Century Huesoulin Plywood Lao Co. Ltd.
	Century Gabon SUARL
	Century Panels Limited*
	Asis Plywood Limited**

* Subsidiary w.e.f. 19.02.2020

** Step down subsidiary w.e.f. 28.01.2020

Notes to Financial Statements

as at and for the year ended 31st March, 2020

41. Related Party Disclosure (contd.)

Related Parties with whom Transactions have taken place during the Year:

Key Management Personnel and Directors	Sri Sajjan Bhajanka (Chairman and Managing Director)
	Sri Sanjay Agarwal (CEO & Managing Director)
	Sri Prem Kumar Bhajanka (Managing Director)
	Sri Vishnu Khemani (Managing Director)
	Sri Hari Prasad Agarwal (Vice Chairman and Executive Director)
	Sri Ajay Baldawa (Executive Director)
	Sri Keshav Bhajanka (Executive Director)
	Smt. Nikita Bansal (Executive Director)
	Sri Mangi Lal Jain (Independent Director) – Till 31.03.2020
	Sri Santanu Ray (Independent Director)
	Sri Asit Pal (Independent Director) – Till 31.03.2019
	Smt. Mamta Binani (Independent Director)
	Sri J. P. Dua (Independent Director)
	Sri Vijay Chhibber (Independent Director)
	Sri Sunil Mitra (Independent Director)
	Sri Debanjan Mandal (Independent Director)
Sri Probir Roy (Independent Director) – w.e.f. 01.04.2019	
Sri Arun Kumar Julasaria (Chief Financial Officer)	
Sri Sundeep Jhunjhunwala (Company Secretary)	
Relatives of Key Management Personnel	Smt. Santosh Bhajanka (Wife of Sri Sajjan Bhajanka)
	Smt. Divya Agarwal (Wife of Sri Sanjay Agarwal)
	Smt. Yash Bala Bhajanka (Wife of Sri Prem Kumar Bhajanka)
	Smt. Sudha Khemani (Wife of Sri Vishnu Khemani)
	Smt. Sumitra Devi Agarwal (Wife of Sri Hari Prasad Agarwal)
	Smt. Shraddha Agarwal (Daughter of Sri Sajjan Bhajanka)
	Smt. Payal Agrawal (Daughter of Sri Sajjan Bhajanka)
	Smt. Sonu Kajaria (Daughter of Sri Sajjan Bhajanka)
	Sri Rajesh Kumar Agarwal (Son of Sri Hari Prasad Agarwal)
	Smt. Bhawna Agarwal (Daughter-in-law of Sri Hari Prasad Agarwal)
	Smt. Nancy Chowdhury (Daughter of Sri Prem Kumar Bhajanka)
	Sri Abhishek Rathi (Son-in-law of Sri Ajay Baldawa)
	Sri Surender Kumar Gupta (Brother of Sri Prem Kumar Bhajanka)
Smt. Yashoda Baldawa (Mother of Sri Ajay Baldawa)	
Smt. Kriti Rathi (Daughter of Sri Ajay Baldawa)	
Enterprises Owned/ Influenced by Key Management Personnel or their relatives.	Brijdham Merchants Pvt. Ltd.
	Star Cement Ltd.
	Sri Ram Merchants Pvt. Ltd.
	Sri Ram Vanijya Pvt. Ltd.
	Sumangal Business Pvt. Ltd.
	Sumangal International Pvt. Ltd.
	Auroville Investments Pvt. Ltd
	Aegis Business Ltd.
	Pacific Plywoods Pvt. Ltd.
	Century Led Ltd.
	Landmark Veneers Pvt. Ltd.
	Star Cement Meghalaya Ltd.
	Amul Boards Pvt. Ltd.

Notes to Financial Statements as at and for the year ended 31st March, 2020

41. Related Party Disclosure (contd.)

41 (b) Aggregated Related Party disclosure as at and for the Year ended 31st March, 2020.

₹ in Lac

Sl No.	Type of Transactions	Subsidiaries		Key Management Personnel and Directors		Relatives of Key Management Personnel		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Total	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
1	Purchase of Trading Goods										
	Auro Sundram Ply & Door Pvt. Ltd.	9,265.68	9,960.60	-	-	-	-	-	-	9,265.68	9,960.60
	Century Ply (Singapore) Pte. Ltd.	-	532.71	-	-	-	-	-	-	-	532.71
	Centuryply Myanmar Pvt. Ltd.	-	91.47	-	-	-	-	-	-	-	91.47
2	Purchase of Raw Materials/ Stores										
	Centuryply Myanmar Pvt. Ltd.	2,618.26	1,778.83	-	-	-	-	-	-	2,618.26	1,778.83
	Amul Boards Pvt Ltd	-	-	-	-	-	-	0.71	-	0.71	-
	Star Cement Ltd.	-	-	-	-	-	-	15.93	33.80	15.93	33.80
	Auro Sundram Ply & Door Pvt. Ltd.	3.57	-	-	-	-	-	-	-	3.57	-
	Landmark Veneers Pvt. Ltd.	-	-	-	-	-	-	135.77	762.27	135.77	762.27
	Century Led Ltd.	-	-	-	-	-	-	7.68	37.80	7.68	37.80
3	Purchase of Asset / Capital goods										
	Century Infotech Ltd.	-	0.43	-	-	-	-	-	-	-	0.43
	Centuryply Myanmar Pvt. Ltd.	-	289.17	-	-	-	-	-	-	-	289.17
4	Sale of RM/Products/Stores & spares										
	Auro Sundram Ply & Door Pvt Ltd.	20.40	61.04	-	-	-	-	-	-	20.40	61.04
	Aegis Business Ltd.	-	-	-	-	-	-	-	3.16	-	3.16
	Centuryply Myanmar Pvt. Ltd.	2.81	-	-	-	-	-	-	-	2.81	-
	Century Gabon Suarl	27.03	-	-	-	-	-	-	-	27.03	-
	Amul Boards Pvt Ltd	-	-	-	-	-	-	1.83	-	1.83	-
5	Sale of Assets										
	Amul Boards Pvt Ltd	-	-	-	-	-	-	9.44	-	9.44	-
	Star Cement Ltd.	-	-	-	-	-	-	2,173.38	-	2,173.38	-
	Auro Sundram Ply & Door Pvt Ltd.	-	2.30	-	-	-	-	-	-	-	2.30
6	Services Availed/(Provided)										
	Aegis Business Ltd.	-	-	-	-	-	-	(1.20)	1,511.93	(1.20)	1,511.93
	Smt Yash Bala Bhajanka	-	-	-	-	14.63	15.27	-	-	14.63	15.27
	Sri Ajay Baldawa	-	-	1.93	0.64	-	-	-	-	1.93	0.64
	Smt Yashoda Baldawa	-	-	-	-	0.63	0.42	-	-	0.63	0.42
	Star Cement Ltd	-	-	-	-	-	-	(116.24)	-	(116.24)	-
	Star Cement Meghalaya Ltd.	-	-	-	-	-	-	(3.93)	(8.51)	(3.93)	(8.51)
	Century Led Ltd.	-	-	-	-	-	-	(9.75)	(10.94)	(9.75)	(10.94)
	Century Ply (Singapore) Pte. Ltd.	-	(66.75)	-	-	-	-	-	-	-	(66.75)
	Century Infotech Ltd.	-	70.80	-	-	-	-	-	-	-	70.80
	Pacific Plywoods Pvt. Ltd.	-	-	-	-	-	-	5.60	5.60	5.60	5.60
	Brijdham Merchants Pvt. Ltd.	-	-	-	-	-	-	-	0.70	-	0.70

Notes to Financial Statements

as at and for the year ended 31st March, 2020

41. Related Party Disclosure: (contd.)

₹ in Lac

Sl No.	Type of Transactions	Subsidiaries		Key Management Personnel and Directors		Relatives of Key Management Personnel		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Total	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
	Auro Sundram Ply & Door Pvt Ltd.	(1.43)	(1.45)	-	-	-	-	-	-	(1.43)	(1.45)
7	Reimbursement Paid/ (Received)										
	Sundeep Jhunjhunwala	-	-	5.00	5.00	-	-	-	-	5.00	5.00
	Star Cement Ltd.	-	-	-	-	-	-	-	(0.29)	-	(0.29)
	Auro Sundram Ply & Door Pvt Ltd.	1.00	2.37	-	-	-	-	-	-	1.00	2.37
8	Loan taken										
	Brijdham Merchants Pvt. Ltd.	-	-	-	-	-	-	1,884.00	956.00	1,884.00	956.00
	Sri Ram Merchants Pvt. Ltd.	-	-	-	-	-	-	2,229.00	1,221.00	2,229.00	1,221.00
	Sri Ram Vanijya Pvt. Ltd.	-	-	-	-	-	-	2,004.00	553.50	2,004.00	553.50
	Sumangal Business Pvt. Ltd.	-	-	-	-	-	-	3,858.00	932.00	3,858.00	932.00
	Sumangal International Pvt. Ltd.	-	-	-	-	-	-	2,579.00	970.00	2,579.00	970.00
	Aegis Business Ltd.	-	-	-	-	-	-	-	1,265.00	-	1,265.00
	Sri Keshav Bhajanka	-	-	48.00	45.00	-	-	-	-	48.00	45.00
	Sri Sajjan Bhajanka	-	-	8,018.00	6,619.50	-	-	-	-	8,018.00	6,619.50
	Sri Sanjay Agarwal	-	-	11,601.00	9,726.50	-	-	-	-	11,601.00	9,726.50
9	Loan Repaid										
	Brijdham Merchants Pvt. Ltd.	-	-	-	-	-	-	1,120.00	956.00	1,120.00	956.00
	Sri Ram Merchants Pvt. Ltd.	-	-	-	-	-	-	2,047.50	1,221.00	2,047.50	1,221.00
	Sri Ram Vanijya Pvt. Ltd.	-	-	-	-	-	-	1,782.00	553.50	1,782.00	553.50
	Sumangal Business Pvt. Ltd.	-	-	-	-	-	-	1,929.50	932.00	1,929.50	932.00
	Sumangal International Pvt. Ltd.	-	-	-	-	-	-	1,535.00	970.00	1,535.00	970.00
	Aegis Business Ltd.	-	-	-	-	-	-	-	1,265.00	-	1,265.00
	Sri Keshav Bhajanka	-	-	-	45.00	-	-	-	-	-	45.00
	Sri Sajjan Bhajanka	-	-	6,981.00	6,619.50	-	-	-	-	6,981.00	6,619.50
	Sri Sanjay Agarwal	-	-	7,532.00	9,726.50	-	-	-	-	7,532.00	9,726.50
10	Share Application Money (Net of Allotment)										
	Century Gabon SUARL	-	587.58	-	-	-	-	-	-	-	587.58
11	Investments Made/ (Sold)										
	Centuryply Myanmar Pvt. Ltd.	998.49	-	-	-	-	-	-	-	998.49	-
	Century Ply (Singapore) Pte. Ltd.	3,553.59	141.94	-	-	-	-	-	-	3,553.59	141.94
	Century Gabon SUARL	1,607.29	1.21	-	-	-	-	-	-	1,607.29	1.21
	Century Panel Ltd	5.00	-	-	-	-	-	-	-	5.00	-
12	Interest Paid										
	Brijdham Merchants Pvt. Ltd.	-	-	-	-	-	-	20.70	18.97	20.70	18.97
	Sri Ram Merchants Pvt. Ltd.	-	-	-	-	-	-	12.65	18.88	12.65	18.88
	Sri Ram Vanijya Pvt. Ltd.	-	-	-	-	-	-	17.47	23.07	17.47	23.07
	Sumangal International Pvt. Ltd.	-	-	-	-	-	-	49.06	12.57	49.06	12.57

Notes to Financial Statements

as at and for the year ended 31st March, 2020

41. Related Party Disclosure: (contd.)

₹ in Lac

Sl No.	Type of Transactions	Subsidiaries		Key Management Personnel and Directors		Relatives of Key Management Personnel		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Total	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
	Sumangal Business Pvt. Ltd.	-	-	-	-	-	-	37.95	35.83	37.95	35.83
	Aegis Business Ltd.	-	-	-	-	-	-	-	63.45	-	63.45
	Sri Sajjan Bhajanka	-	-	100.11	283.90	-	-	-	-	100.11	283.90
	Sri Sanjay Agarwal	-	-	117.37	308.21	-	-	-	-	117.37	308.21
	Sri Keshav Bhajanka	-	-	2.39	3.30	-	-	-	-	2.39	3.30
13	Interest Received										
	Auro Sundram Ply & Door Pvt. Ltd.	30.00	30.00	-	-	-	-	-	-	30.00	30.00
14	Dividend Paid										
	Sri Sajjan Bhajanka	-	-	518.68	252.34	-	-	-	-	518.68	252.34
	Sri Sanjay Agarwal	-	-	497.61	243.51	-	-	-	-	497.61	243.51
	Smt. Divya Agarwal	-	-	-	-	335.00	167.50	-	-	335.00	167.50
	Sri Vishnu Khemani	-	-	254.94	127.47	-	-	-	-	254.94	127.47
	Smt Santosh Bhajanka	-	-	-	-	308.99	154.50	-	-	308.99	154.50
	Others	-	-	154.62	77.15	385.01	192.20	786.58	393.29	1,326.21	662.64
15	Director's Remuneration Paid #										
	Sri Sajjan Bhajanka	-	-	120.00	120.00	-	-	-	-	120.00	120.00
	Sri Sanjay Agarwal	-	-	120.00	120.00	-	-	-	-	120.00	120.00
	Sri Prem Kumar Bhajanka	-	-	120.00	120.00	-	-	-	-	120.00	120.00
	Sri Vishnu Khemani	-	-	120.00	120.00	-	-	-	-	120.00	120.00
	Sri Hari Prasad Agarwal	-	-	60.00	60.00	-	-	-	-	60.00	60.00
	Sri Ajay Baldawa	-	-	240.00	240.00	-	-	-	-	240.00	240.00
	Smt. Nikita Bansal	-	-	24.00	24.00	-	-	-	-	24.00	24.00
	Sri Keshav Bhajanka	-	-	50.00	50.00	-	-	-	-	50.00	50.00
16	Director's Sitting Fees										
	Sri Mangi Lal Jain	-	-	4.50	4.25	-	-	-	-	4.50	4.25
	Sri Santanu Ray	-	-	4.25	4.00	-	-	-	-	4.25	4.00
	Sri Asit Pal	-	-	-	2.50	-	-	-	-	-	2.50
	Smt. Mamta Binani	-	-	4.75	4.50	-	-	-	-	4.75	4.50
	Sri J. P. Dua	-	-	2.50	2.50	-	-	-	-	2.50	2.50
	Sri Vijay Chhibber	-	-	2.50	2.50	-	-	-	-	2.50	2.50
	Sri Debanjan Mandal	-	-	1.00	1.00	-	-	-	-	1.00	1.00
	Sri Sunil Mitra	-	-	2.00	2.50	-	-	-	-	2.00	2.50
	Sri Probir Roy	-	-	2.00	-	-	-	-	-	2.00	-
17	Director's Commission										
	Sri Mangi Lal Jain	-	-	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Santanu Ray	-	-	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Asit Pal	-	-	-	4.00	-	-	-	-	-	4.00
	Smt. Mamta Binani	-	-	4.00	4.00	-	-	-	-	4.00	4.00
	Sri J. P. Dua	-	-	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Vijay Chhibber	-	-	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Debanjan Mandal	-	-	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Sunil Mitra	-	-	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Probir Roy	-	-	4.00	-	-	-	-	-	4.00	-

Notes to Financial Statements

as at and for the year ended 31st March, 2020

41. Related Party Disclosure: (contd.)

₹ in Lac

Sl No.	Type of Transactions	Subsidiaries		Key Management Personnel and Directors		Relatives of Key Management Personnel		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Total	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
18	Salary Paid										
	Sri Arun Kumar Julasaria #	-	-	145.67	147.88	-	-	-	-	145.67	147.88
	Sri Sundeep Jhunjhunwala #	-	-	37.62	33.82	-	-	-	-	37.62	33.82
	Others	-	-	-	-	120.13	111.63	-	-	120.13	111.63
19	Advance Given										
	Aegis Business Ltd.	-	-	-	-	-	-	300.00	-	300.00	-
	Sri Abhishek Rathi	-	-	-	-	8.10	-	-	-	8.10	-
	Sri Arun Kumar Julasaria	-	-	-	6.00	-	-	-	-	-	6.00
	Sri Sundeep Jhunjhunwala	-	-	-	7.00	-	-	-	-	-	7.00
20	Advance Received back										
	Sri Arun Kumar Julasaria	-	-	-	6.00	-	-	-	-	-	6.00
	Sri Abhishek Rathi	-	-	-	-	0.68	4.85	-	-	0.68	4.85
	Sri Sundeep Jhunjhunwala	-	-	7.00	-	-	-	-	-	7.00	-
21	Balance Outstanding on account of										
A	Receivable/(Payable)										
	Auro Sundram Ply & Door Pvt. Ltd.	(921.18)	(1,419.87)	-	-	-	-	-	-	(921.18)	(1,419.87)
	Aegis Business Ltd.	-	-	-	-	-	-	300.12	73.92	300.12	73.92
	Century Ply (Singapore) Pte. Ltd.	427.40	3,922.89	-	-	-	-	-	-	427.40	3,922.89
	Centuryply Myanmar Pvt. Ltd.	684.16	198.98	-	-	-	-	-	-	684.16	198.98
	Century Infotech Ltd.	31.52	32.28	-	-	-	-	-	-	31.52	32.28
	Century Led Ltd.	-	-	-	-	-	-	0.68	(0.80)	0.68	(0.80)
	Brijdham Merchants Pvt Ltd.	-	-	-	-	-	-	0.70	0.70	0.70	0.70
	Century Gabon Suarl	27.03	-	-	-	-	-	-	-	27.03	-
	Star Cement Ltd.	-	-	-	-	-	-	23.06	8.51	23.06	8.51
	Star Cement Meghalaya Ltd.	-	-	-	-	-	-	0.33	-	0.33	-
	Amul Boards Pvt. Ltd	-	-	-	-	-	-	5.00	-	5.00	-
	Pacific Plywoods Pvt. Ltd.	-	-	-	-	-	-	(5.01)	(5.04)	(5.01)	(5.04)
	Sri Abhishek Rathi	-	-	-	-	7.43	-	-	-	7.43	-
	Sri Sundeep Jhunjhunwala	-	-	-	7.00	-	-	-	-	-	7.00
B	Loans Receivable/(Payable) (Incl. interest)										
	Auro Sundram Ply & Door Pvt. Ltd.	327.00	327.00	-	-	-	-	-	-	327.00	327.00
	Brijdham Merchants Pvt. Ltd.	-	-	-	-	-	-	(782.64)	-	(782.64)	-
	Sri Ram Merchants Pvt. Ltd.	-	-	-	-	-	-	(192.88)	-	(192.88)	-
	Sri Ram Vanijya Pvt. Ltd.	-	-	-	-	-	-	(237.72)	-	(237.72)	-
	Sumangal Business Pvt. Ltd.	-	-	-	-	-	-	(1,972.65)	-	(1,972.65)	-
	Sumangal International Pvt. Ltd.	-	-	-	-	-	-	(1,078.15)	-	(1,078.15)	-
	Sri Keshav Bhajanka	-	-	(50.15)	-	-	-	-	-	(50.15)	-
	Sri Sajjan Bhajanka	-	-	(1,127.10)	-	-	-	-	-	(1,127.10)	-
	Sri Sanjay Agarwal	-	-	(4,174.63)	-	-	-	-	-	(4,174.63)	-

Notes to Financial Statements

as at and for the year ended 31st March, 2020

41. Related Party Disclosure: (contd.)

₹ in Lac

Sl No.	Type of Transactions	Subsidiaries		Key Management Personnel and Directors		Relatives of Key Management Personnel		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Total	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
C	Guarantees Obtained										
	Sri Sajjan Bhajanka	-	-	-	78,350.00	-	-	-	-	-	78,350.00
	Sri Sanjay Agarwal	-	-	-	78,350.00	-	-	-	-	-	78,350.00
	Sri Hari Prasad Agarwal	-	-	-	78,350.00	-	-	-	-	-	78,350.00
D	Director's Remuneration Payable										
	Sri Sajjan Bhajanka	-	-	-	3.82	-	-	-	-	-	3.82
	Sri Sanjay Agarwal	-	-	-	5.26	-	-	-	-	-	5.26
	Sri Hari Prasad Agarwal	-	-	-	3.51	-	-	-	-	-	3.51
	Sri Prem Kumar Bhajanka	-	-	-	6.41	-	-	-	-	-	6.41
	Sri Ajay Baldawa	-	-	-	55.55	-	-	-	-	-	55.55
	Smt. Nikita Bansal	-	-	-	1.40	-	-	-	-	-	1.40
	Sri Keshav Bhajanka	-	-	-	0.41	-	-	-	-	-	0.41
E	Salary Payable										
	Sri Arun Kumar Julasaria	-	-	1.75	5.80	-	-	-	-	1.75	5.80
	Sri Sundeep Jhunjhunwala	-	-	-	1.96	-	-	-	-	-	1.96
	Others	-	-	-	-	0.68	7.08	-	-	0.68	7.08

Remuneration of Key Management Personnel represents short term employee benefits. As the liabilities for defined benefit plans and compensated absences are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.

41 (c) Terms and conditions of transactions with related parties

1. The sales to/ purchases from/ services availed from/ and services provided to related parties are made on terms equivalent to those that prevail in arm's length transactions.
2. Outstanding balances at the year-end from related parties are unsecured and interest free
3. Employee related recoverable balances are unsecured and interest free
4. The Company has provided loan to its subsidiary for its business activities. The loan was unsecured and was repayable on demand. The loan outstanding as on 31st March, 2020 carries an interest @10.00% p.a.
5. The Company has taken loan from Enterprises owned/influenced by Key Management Personnel (KMP) or their relatives as well as from KMP's. The loan was unsecured and was repayable on demand. The loan carried an interest @5.00% p.a.

Notes to Financial Statements

as at and for the year ended 31st March, 2020

42. Fair values measurements

Financial instruments by category:

₹ in Lac

	31 st March, 2020		31 st March, 2019	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Non-current financial assets				
(i) Investments	21.77	-	33.77	-
(ii) Loans and advances	-	1,482.96	-	1,391.47
(iii) Other non-current financial assets	-	-	-	1,586.07
Current financial assets				
(i) Trade receivable	-	25,815.95	-	29,355.43
(ii) Cash and cash equivalents	-	1,849.78	-	1,957.64
(iii) Bank balances other than above	-	272.33	-	303.58
(iv) Loans and advances	-	556.32	-	539.87
(v) Other current financial assets	-	1,903.51	-	1,528.21
Total Financial assets	21.77	31,880.85	33.77	36,662.27
Non-current financial liabilities				
(i) Borrowings	-	5,293.24	-	13,226.57
(ii) Lease liabilities	-	2,127.43	-	-
(iii) Other non-current financial liabilities	-	-	-	-
Current financial liabilities				
(i) Borrowings	-	16,829.96	-	33,633.62
(ii) Trade payables	-	16,107.64	-	16,250.74
(iii) Lease liabilities	-	573.51	-	-
(iv) Other current financial liabilities	-	9,034.91	-	11,674.42
Total Financial liabilities	-	49,966.69	-	74,785.35

Notes:-

- The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.
- Finance income and finance cost by instrument category wise classification :-
 - Interest income of ₹110.66 (P.Y. ₹372.54) on financial instrument at amortised cost.
 - Interest expense of ₹2,711.22 (P.Y. ₹3,067.58) on borrowing at amortised cost.

43. Impairment Loss on Investment in Subsidiary

Consequent to restrictions on production of semi-finished product by the Laos Government, the foreign subsidiaries including step down subsidiaries have recognised the impairment loss of ₹6,381.00 lacs on assets including inventories on the basis of recoverable value estimated by the management. Accordingly the Company has recognised impairment loss of ₹4,563.27 lacs on investment in a foreign subsidiary in its books of accounts after taking out share of impairment loss relating to non-controlling interest and same is reflected in segment results of Plywood and allied segment.

44. Financial Risk Management-Objectives and Policies

The Company's financial liabilities comprise long term borrowings, short term borrowings, capital creditors, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include trade and other receivables, cash and cash equivalents, investment in subsidiaries at cost and deposits.

The Company is exposed to market risk and credit risk. The Company has a Risk management policy and its management is supported by a Risk management committee that advises on risks and the appropriate risk governance framework for the Company. The audit committee provides assurance to the Company's management that the Company's risk activities are governed by appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Notes to Financial Statements as at and for the year ended 31st March, 2020

44. Financial Risk Management-Objectives and Policies (contd.)

(i) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate, currency risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include FVTPL investments, trade payables, trade receivables, etc.

a. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company has a treasury department which monitors the foreign exchange fluctuations on the continuous basis and advises the management of any material adverse effect on the Company.

Foreign Currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in foreign currency exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of assets and liabilities.

Change in Foreign Currency Rates	Effect on Profit before Tax (₹ in Lac)	
	As on 31 st March, 2020	As on 31 st March, 2019
5%	(153.23)	(547.86)
-5%	153.23	547.86

b. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest rate sensitivity

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

	Increase/ Decrease in basis points	Effect on Profit before Tax (₹ in Lac)
31 st March, 2020	+50	(168.97)
	-50	168.97
31 st March, 2019	+50	(265.53)
	-50	265.53

(ii) Credit Risks

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

The Company implements a credit risk management policy under which the Company only transacts business with counterparties that have a certain level of credit worthiness based on internal assessment of the parties, financial condition, historical experience, and other factors. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company has established a credit policy under which each new customer is analyzed individually for creditworthiness.

Trade receivables

An impairment analysis is performed at each reporting date on an individual basis for all the customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on credit losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed in Note 10 as the Company does not hold collateral as security. The Company has evaluated the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries.

Credit risk also arises from transactions with financial institutions, and such transactions include transactions of cash and cash equivalents, various deposits, and financial instruments such as derivative contracts. The Company manages its exposure to this credit risk by only entering into transactions with banks that have high ratings. The Company's treasury department authorizes, manages, and oversees new transactions with parties with whom the Company has no previous relationship.

Furthermore, the Company limits its exposure to credit risk of financial guarantee contracts by strictly evaluating their necessity based on internal decision making processes, such as the approval of the board of directors.

Notes to Financial Statements

as at and for the year ended 31st March, 2020

44. Financial Risk Management-Objectives and Policies (contd.)

Credit risk exposure

The carrying amount of financial assets represents the Company's maximum exposure to credit risk. The maximum exposure to credit risk as of 31st March 2020 and 31st March 2019 are as follows:

	₹ in Lac	
	31 st March, 2020	31 st March, 2019
Cash and cash equivalents	1,849.78	1,957.64
Other Bank balances	272.33	303.58
Loans and other receivables	556.32	539.87
Trade receivable (Net)	25,815.95	29,355.43
	28,494.38	32,156.52

Impairment losses on financial assets

Refer the table below for reconciliation of loss allowance in respect of Trade Receivables:

	₹ in Lac	
	31 st March, 2020	31 st March, 2019
Trade Receivables (measured under life time excepted credit loss model)		
Loss Allowance at the beginning of the year	895.76	887.57
Add: Loss Allowance provided during the year	-	8.19
Less: Write Off	-	-
Less: Loss Allowance reversed during the year	-	-
Loss Allowance at the end of the year	895.76	895.76

The ageing of trade accounts and notes receivable as of 31st March, 2020 and 31st March, 2019 are as follows:

	₹ in Lac	
Particulars	31 st March, 2020	31 st March, 2019
Not due	18,442.16	22,938.65
Overdue less than 6 months	6,813.73	5,736.70
more than 6 months - 12 months	659.83	405.95
more than 12 months - 24 months	188.30	306.50
over 24 months	607.69	863.39
Gross Amount	26,711.71	30,251.19
Less: Expected Credit Loss	895.76	895.76
Sundry Debtors Balance	25,815.95	29,355.43

No significant changes in estimation techniques or assumptions were made during the reporting period

(iii) Liquidity Risk

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Company relies on a mix of borrowings and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium/ long term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs. Besides, it generally has certain undrawn credit facilities which can be accessed as and when required; such credit facilities are reviewed at regular intervals. Thus, no liquidity risk is perceived at present.

Availability of Liquidity is as follows

	₹ in Lac	
Particulars	31 st March, 2020	31 st March, 2019
Cash and Cash Equivalent	1,849.78	1,957.64
Availability under committed credit facilities	33,128.35	16,280.01

Notes to Financial Statements as at and for the year ended 31st March, 2020

44. Financial Risk Management-Objectives and Policies (contd.)

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

₹ in Lac

Particulars	Less than 1 Year	1-2 Years	2-3 Years	3-5 Years	> 5 years	Total
Year ended 31st March 2020						
Borrowings	16,829.96	2,859.38	2,433.86	-	-	22,123.20
Other financial liabilities	9,034.91	-	-	-	-	9,034.91
Trade payables	16,107.64	-	-	-	-	16,107.64
	41,972.51	2,859.38	2,433.86	-	-	47,265.75
Year ended 31st March 2019						
Borrowings	33,633.62	4,547.03	3,930.28	4,749.26	-	46,860.19
Other financial liabilities	11,674.42	-	-	-	-	11,674.42
Trade payables	16,250.74	-	-	-	-	16,250.74
	61,558.78	4,547.03	3,930.28	4,749.26	-	74,785.35

(iv) Other Risk-Impact of the COVID 19 pandemic

The spread of COVID-19 has severely impacted businesses around the globe. In many countries, including India, there has been severe disruption to regular business operations due to lockdowns, disruptions in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures. Century's plants and offices were under nationwide lockdown since 24th March, 2020 and operations are being resumed in a phased manner taking into account directives from the Government. As a result of lockdown the volumes for the month of March 2020 have been impacted and consequently, the performance for the month of March 2020 has also been partially impacted. Management is expecting that demand for products will improve on stabilization of COVID-19, post removal of lock down. The Company has made detailed assessment of its liquidity position for a period of at least one year from the balance sheet date, of the recoverability and carrying values of its assets comprising property, plant and equipment, Intangible assets, Trade Receivables, Inventory, investments, other current and non-current assets and ability to pay its liabilities as they become due and effectiveness of internal financial controls at the balance sheet date, and has concluded that there are no material impact or adjustments required in the standalone financial statements.

Management believes that it has taken into account all the possible impact of known events till the date of approval of its financial statements arising from COVID-19 pandemic in the preparation of the standalone financial statements. The impact on our business will depend on future developments that cannot be reliably predicted. It is uncertain how long these conditions will last. The impact of global health pandemic might be different from that estimated as at the date of approval of these financial statements and the Company will closely monitor any material changes to future economic conditions. Management expects no significant impact on the continuity of operations of the business on a long term basis.

45. The Company's Segment Information as at and for the year ended 31st March 2020 are as below:

₹ in Lac

SI	Plywood	Laminate	MDF	Particle Board	CFS Services	Others	Total
a Revenue(Gross)							
External Sales	1,23,429.08	46,333.50	35,051.53	9,910.73	8,649.12	4,893.74	2,28,267.70
	(1,27,809.69)	(43,899.99)	(29,535.80)	(9,747.16)	(10,299.45)	(5,090.51)	(2,26,382.60)
Inter-segment Sales	-	-	-	-	48.04	285.55	333.59
	-	-	-	-	(68.20)	(252.28)	(320.48)
Total Revenue(Gross)	1,23,429.08	46,333.50	35,051.53	9,910.73	8,697.16	5,179.29	2,28,601.29
	(1,27,809.69)	(43,899.99)	(29,535.80)	(9,747.16)	(10,367.65)	(5,342.79)	(2,26,703.08)
b Result							
Segment Results	10,835.23	5,613.33	6,848.98	1,935.93	1,514.47	236.85	26,984.79
	(18,287.77)	(3,374.08)	(2,000.46)	(1,771.05)	(2,599.90)	(274.48)	(28,307.74)
Unallocated Income/(Expenses) (Net of unallocated expenses/ income)							(2,222.16)
							(-2,664.41)

Notes to Financial Statements

as at and for the year ended 31st March, 2020

45. The Company's Segment Information as at and for the year ended 31st March 2020 are as below: (contd.)

SI							₹ in Lac	
	Plywood	Laminate	MDF	Particle Board	CFS Services	Others	Total	
Operating Profit							24,762.63	
							(25,643.33)	
Finance Cost							3,724.48	
							(4,457.71)	
Tax Expense							5,221.47	
							(5,309.64)	
Net Profit							15,816.68	
							(15,875.98)	
Other Information								
a Total Assets								
Segment Assets	70,035.67	24,211.19	36,403.44	7,240.83	7,218.21	1,431.65	1,46,540.99	
	(79,650.02)	(27,859.20)	(37,187.40)	(7,032.99)	(5,487.85)	(1,366.25)	(1,58,583.71)	
Unallocated Corporate/Other Assets							16,326.49	
							(18,068.06)	
Total							1,62,867.48	
							(1,76,651.77)	
b Total Liabilities								
Segment Liabilities	15,797.74	5,174.75	3,264.90	626.38	3,564.60	844.80	29,273.17	
	(16,181.93)	(5,323.97)	(3,391.35)	(546.05)	(964.87)	(1,146.60)	(27,554.77)	
Unallocated /Other Liabilities							26,256.33	
							(52,184.36)	
Total							55,529.50	
							(79,739.13)	
c Capital Expenditure	1,514.29	833.90	554.10	166.69	127.26	6.47	3,202.71	
	(2,637.41)	(1,510.67)	(1,490.13)	(453.26)	(1,212.33)	(3.84)	(7,307.64)	
Unallocated Capital Expenditure							6,543.08	
							(6,543.08)	
d Depreciation/Amortisation	1,211.50	1,004.22	1,953.40	504.97	1,408.64	2.37	6,085.10	
	(862.81)	(723.27)	(1,863.97)	(456.84)	(741.90)	(1.18)	(4,649.97)	
Unallocated Depreciation							670.08	
							(348.84)	
e Geographical Segment								
i. Revenue (Gross)								
India							2,17,768.46	
							(2,16,715.86)	
Overseas							10,499.24	
							(9,666.74)	
ii. Carrying amount of Segment Assets								
India							1,34,734.00	
							(1,46,255.33)	
Overseas							11,806.99	
							(12,328.38)	

Note:- Previous years figures are in bracket

Notes:

(a) Business Segments: The reportable segments have been identified on the basis of the products of the Company. Operating Segment disclosed are consistent with the information provided to and reviewed by the Chief Operating Decision Maker (CODM). Accordingly, the Company has identified following business segments:

Plywood	-	Plywood, Block-Board, Veneer & Timber
Laminate	-	Decorative Laminates
MDF	-	Plain & Pre-laminated Medium Density Fibre Boards

Notes to Financial Statements

as at and for the year ended 31st March, 2020

45. The Company's Segment Information as at and for the year ended 31st March 2020 are as below: (contd.)

Plain Particle Board	-	Plain & Pre-laminated Particle Board
CFS Services	-	Container Freight Stations services
Others	-	Mainly Trading of Chemicals and New Age Panel Products

(b) The Company recognised revenue at point in time.

(c) Company's Property Plant and Equipment (PPE) are located only in India. Hence separate figures for same have not been furnished.

(d) During the year there is no revenue from a single customers which is more than 10% of company's revenue.

(e) During the current financial year, in line with the changes in the internal structure for reporting financial information to the entity's chief operating decision maker (CODM), the Company has changed its Segment disclosures and included its investment in subsidiaries (engaged in manufacturing of plywood and allied products) under the plywood and allied products segment assets and accordingly investment in such subsidiaries have been shown as plywood and allied products segment assets. Figures for the previous reported periods have been regrouped. The details of investment in subsidiaries regrouped under plywood and allied products segment assets is given below:

Particulars	31.03.2020	31.03.2019
Investment in Subsidiaries	10,472.65	10,462.62

46. Earning per Share (EPS)

In terms of Ind AS- 33 on "Earning Per Share" the calculation of EPS is given below: -

	2019-20	2018-19
Profit as per the Statement of Profit & Loss (₹ In Lacs)	15,816.68	15,875.98
Profit available for Equity Shareholders(₹ In Lacs)	15,816.68	15,875.98
Weighted average number of Equity Shares outstanding during the year	22,21,72,990	22,21,72,990
Nominal value of equity shares (₹)	1	1
Basic and Diluted earnings per share (EPS) (₹)	7.12	7.15

47. Dividend

The Company has declared and paid an interim dividend of ₹1/- per equity share of face value of ₹1/- each, aggregating to ₹2,678.41 lacs, including corporate dividend distribution tax of ₹456.68 lacs, for the financial year 2019-2020. The Board has proposed that this may be treated as final dividend.

48. Charity and Donations includes ₹50.51 Lacs (₹505 Lacs) paid to political parties.

49. Previous year's figures have been rearranged and/or regrouped, wherever necessary.

50. The financial statements have been approved by the Audit Committee at its meeting held on 26th June, 2020 and by the Board of Directors on the same date.

For Singhi & Co.

Firm's Registration No.- 302049E

Chartered Accountants

Rajiv Singhi

Partner

Membership No. 053518

Place: Kolkata

Date: 26th June, 2020

For and on behalf of the Board of Directors

Sajjan Bhajanka

Chairman & Managing Director

DIN: 00246043

Arun Kumar Julasaria

Chief Financial Officer

Sanjay Agarwal

CEO & Managing Director

DIN: 00246132

Sundeep Jhunjunwala

Company Secretary

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
CENTURY PLYBOARDS (INDIA) LIMITED

Report on the Audit of Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of **Century Plyboards (India) Limited** ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding and its subsidiaries together referred to as "the Group") comprising the consolidated balance sheet as at March 31, 2020, the consolidated statement of profit and loss (including other comprehensive income), the consolidated cash flow statement and the consolidated statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (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 March 31, 2020, their consolidated total comprehensive income (comprising consolidated profit and consolidated other comprehensive income) their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Basis for Opinion

2. We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules there under, 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 and the audit evidence obtained by the other auditor in terms of their reports referred to in paragraph 15 & 16 of the other matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

3. The following emphasis of matter paragraph was included in the audit report on the financial statements of Century Ply (Singapore) PTE. Ltd., a foreign subsidiary of the Holding Company, issued by an independent firm of Chartered Accountants of Singapore vide its report dated June 19, 2020 under the Singapore GAAP, which has been reproduced by us as under. The above financial statement has been converted by the holding company management under Indian GAAP.

As disclosed in Note 4* to the financial statements, the company has investments in overseas subsidiaries amounting to US\$ 328,644 and as stated in Note 6* to the financial statements the company has advance for purchases made to these subsidiaries amounting to US\$ 4,885,496. The subsidiaries are having operative assets relating to plywood and veneer manufacturing. Management is taking steps to restart the operations failing which it would dispose these assets held by the subsidiaries in order to realize the carrying cost of the investment and recover the advances made. This is dependent on several external factors. Our opinion is not modified in respect of this matter.

* Note no. of financial statements of Century Ply (Singapore) PTE Ltd. under Singapore GAA. (Note no 50 of the consolidated financial statements.)

Key Audit Matters

4. 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 addressed the matter is provided in that context:

Descriptions of Key Audit Matter	How we addressed the matter in our audit
<p>A. Valuation of inventories</p> <p>Refer to note 11 to the consolidated financial statements. The Company is having Inventory of ₹39,798.03 Lakhs as on 31st March 2020. Inventories are to be valued as per Ind AS 2. As described in the accounting policies in note 2.2(l) to the consolidated financial statements, inventories are carried at the lower of cost and net realisable value. As a result, the management applies judgment in determining the appropriate provisions against inventory of Stores, Raw Material, Finished goods and Work in progress based upon a detailed analysis of old inventory, net realisable value below cost based upon future plans for sale of inventory.</p>	<p>We obtained assurance over the appropriateness of the management's assumptions applied in calculating the value of the inventories and related by:</p> <p>Completed a walkthrough of the inventory valuation process and assessed the design and implementation of the key controls addressing the risk.</p> <ul style="list-style-type: none"> • Verifying the effectiveness of key inventory controls operating over inventories; including sample based physical verification. • Reviewing the document and other record related to physical verification of inventories done by the management during the year. • Verifying for a sample of individual products that costs have been correctly recorded. • Comparing the net realisable value to the cost price of inventories to check for completeness of the associated provision. • Reviewing the historical accuracy of inventory provisioning and the level of inventory write-offs during the year. • Recomputing provisions recorded to verify that they are in line with the Company policy. <p>Our Observation: Based on the audit procedures performed we did not identify any material exceptions in the Inventory valuation.</p>
<p>B. Revenue Recognition</p> <p>The accuracy of amounts recorded as revenue is an inherent risk due to the complexity involve.</p> <p>The application of revenue recognition accounting standards Ind AS 115 is complex and involves a number of judgments and estimates. Refer note no 2.3 (h)-to Critical accounting judgments including those involving estimations and Revenue recognition. In view of the complexity of the revenue recognition under Ind AS 115 and the judgments and estimates involved the recognition of revenue was a matter of most significance to our audit.</p>	<p>As part of our audit, we understood the Company's policies and processes, control mechanisms and methods in relation to the revenue recognition and evaluated the design and operative effectiveness of the financial controls from the above through our test of control procedures.</p> <ul style="list-style-type: none"> • Tested a sample of sales transactions for compliance with the company's accounting principles to assess the completeness, occurrence and accuracy of revenue recorded. • Performing procedures to ensure that the revenue recognition criteria adopted by Company for all major revenue streams is appropriate and in line with the Company's accounting policies. • We tested the company's system generated reports, based on which revenue is accrued at the year end, and performed tests of details on the accrued revenue and accounts receivable balances recognized in the balance sheet at the year end. <p>Our tests of detail focused on transactions occurring within proximity of the year end and obtaining evidence to support the appropriate timing of revenue recognition, based on terms and conditions set out in sales contracts and delivery documents or system generated reports. We considered the appropriateness and accuracy of any cut-off adjustments</p> <ul style="list-style-type: none"> • Traced disclosure information to accounting records and other supporting documentation. <p>Our Observation: Based on the audit procedures performed we did not identify any material exceptions in the revenue recognition.</p>

Information Other than the consolidated financial statements and auditor's report thereon

5. The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the annual reports, but does not include the consolidated financial statements and our auditor's report thereon.

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 financial statements or our knowledge obtained during the course of our 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.

Management's Responsibility for the consolidated financial statements

6. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and consolidated changes in equity of the Group in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting fraud and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matter related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
8. The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibility for the Audit of the consolidated financial statements

9. 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.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding 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 management.

- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 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.
- e) 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.
- f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities 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 the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
11. 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.
12. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. 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.
14. 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 for the financial year ended March 31, 2020 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.

Other Matters

15. We did not audit the consolidated financial statements/ financial statements and financial information's of eight subsidiaries whose financial statements / financial information reflect total assets of ₹6,175.25 Lakhs and net assets ₹3,214.17 Lakhs as at March 31, 2020 and total revenue of ₹9,581.14 Lakhs, total net loss after tax of ₹188.13 Lakhs and total comprehensive loss of ₹188.13 Lakhs for the year ended March 31 2020 and net cash outflow of ₹146.24 Lakhs for the year ended on that date as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.
16. We did not audit the consolidated financial statements / standalone financial statements and financial information's of three foreign subsidiaries, whose financial statements / financial information reflect total assets of ₹10,500.48 Lakhs and total net assets ₹9088.10 Lakhs as at March 31, 2020, total revenue of ₹5,964.12 Lakhs, total net loss after tax of ₹7,663.31 Lakhs and total comprehensive loss of ₹7,663.31 Lakhs for the year ended March 31 2020 and net cash inflow of ₹72.23 Lakhs for the year ended on that date as considered in the consolidated financial statements.

This financial statements / financial information are audited as per the local law of the respective country and have been converted by the management of the Company into Ind-AS complaint financial statements. Our opinion on the statement in so far as relates to the amounts included in respect of this

subsidiary is based solely on such management certified financial statements.

Our opinion on the statement is not modified in respect of the above matters with regard to our reliance on the work done and the reports of the other auditors and the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

17. 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 the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and report of the other auditor.
- (c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), consolidated cash flow statement and the consolidated statement of changes in equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries companies incorporated in India, none of the directors of the Group's companies, incorporated in India is

disqualified as on March 31, 2020 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 with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact, if any, of pending litigations as at March 31, 2020 on the consolidated financial position of the group— Refer Note 34(ii) to the consolidated financial statements.
 - ii. The Group did not have any long-term contracts including derivative contracts as at March 31, 2020 for which there were material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiaries incorporated in India during the year ended March 31, 2020.

For Singhi & Co.

Chartered Accountants
Firm's Registration No.302049E

(Rajiv Singhi)

Partner

Place: Kolkata
Date: June 26, 2020

Membership No. 053518
UDIN20053518AAAAAT3640

Annexure 'A' to the Independent Auditor's Report

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

In conjunction with our audit of the consolidated financial statements of the Holding Company, as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting with reference to financial statements of CENTURY PLYBOARDS (INDIA) LIMITED ("the Holding Company") and its subsidiaries, which are companies incorporated in India, as of that date.

Management's responsibility for internal financial controls

The respective Board of Directors of the Holding Company, its subsidiaries companies to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of adequacy of the internal financial control over financial reporting with reference to financial statements is applicable, which are Company's incorporated in India, are responsible for establishing and maintaining internal financial control based on internal financial controls with reference to consolidated financial statements criteria established by the respective Companies 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.

Auditor's responsibility

Our responsibility is to express an opinion on the Holding Company and its Subsidiaries, which are Companies incorporated in India, internal financial controls over financial reporting with reference to these consolidated financial statements 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 prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 over financial reporting system with reference to these consolidated

financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with respect to these consolidated financial statements included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 and the audit evidence obtained by the other auditors in terms of their report referred to in the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting system with reference to these consolidated financial statements.

Meaning of internal financial control over financial reporting with reference to consolidated financial statements

A company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitation of internal financial control over financial reporting with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due

to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our and according to information provided to us and based on the considerations of the reports of the other auditors as referred in **Other Matters** paragraph below, the Holding Company, its subsidiaries which are companies incorporated in India, have, in all material respects, an adequate internal financial controls over financial reporting system with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at 31st March 2020, based on the internal financial control over financial reporting criteria established by the Holding 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.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial control over financial reporting with reference to these consolidated financial statements in so far as it relates to separate/consolidated financial statements of eight subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For Singhi & Co.

Chartered Accountants
Firm's Registration No.302049E

(Rajiv Singhi)

Partner

Place: Kolkata

Date: June 26, 2020

Membership No. 053518
UDIN20053518AAAAAT3640

Consolidated Balance Sheet as at 31st March, 2020

₹ in Lac

	Notes	31 st March, 2020	31 st March, 2019
A ASSETS			
Non Current Assets			
Property, Plant and Equipment (including right of use assets)	3	77,640.99	83,479.85
Capital Work-in-Progress	3	1,600.27	2,683.76
Investment Property	5	610.16	610.16
Goodwill	4	128.49	28.09
Intangible Assets	4	87.76	136.06
Financial Assets			
Investments In Others	6	21.77	33.77
Loans and Advances	7	1,521.94	1,392.17
Deferred Tax Assets	9	5,782.21	6,150.84
Other non-current assets	10	2,273.49	1,407.50
Total Non Current Assets		89,667.08	95,922.20
Current Assets			
Inventories	11	39,798.03	46,130.84
Financial Assets			
Trade Receivables	12	25,684.13	29,568.21
Cash and cash equivalents	13	2,138.30	2,320.17
Bank Balances other than above	13	337.17	303.58
Loans and Advances	7	559.41	551.55
Current Tax Assets		435.92	338.40
Other financial assets	8	2,356.35	1,734.17
Other current assets	10	5,026.19	4,315.17
Total Current Assets		76,335.50	85,262.09
TOTAL ASSETS		1,66,002.58	1,81,184.29
B EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	14	2,225.27	2,225.27
Other Equity	15	1,06,835.74	95,266.80
Equity attributable to owners of the parent		1,09,061.01	97,492.07
Non Controlling Interest		(174.25)	2,531.73
Total Equity		1,08,886.76	1,00,023.80
Liabilities			
Non Current Liabilities			
Financial Liabilities			
Borrowings	16	5,293.25	13,226.57
Lease Liabilities		2,127.43	-
Other non-current liabilities	18	232.98	75.61
Provisions	23	725.81	195.56
Deferred Tax Liability	9	47.52	116.05
Total Non Current Liabilities		8,426.99	13,613.79
Current Liabilities			
Financial Liabilities			
Borrowings	19	18,323.08	34,933.87
Lease Liabilities		573.51	-
Trade Payables			
Dues to micro and small enterprises	20	458.03	154.46
Dues to others	20	14,696.84	15,795.42
Other Financial Liabilities	21	9,066.31	11,695.71
Contract Liability	21A	1,755.08	730.50
Other Current Liabilities	22	2,270.80	3,228.56
Provisions	23	710.70	999.16
Current tax liabilities	24	834.48	9.02
Total Current Liabilities		48,688.83	67,546.70
Total Liabilities		57,115.82	81,160.49
TOTAL EQUITY AND LIABILITIES		1,66,002.58	1,81,184.29
Significant Accounting Policies, Key Judgements, Estimates and Assumptions	2		

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

3-54

As per our attached report of even date

For Singhi & Co.

Firm's Registration No. - 302049E

Chartered Accountants

Rajiv Singhi

Partner

Membership No. 053518

Place: Kolkata

 Date: 26th June, 2020

For and on behalf of the Board of Directors
Sajjan Bhajanka

Chairman & Managing Director

DIN: 00246043

Arun Kumar Julasaria

Chief Financial Officer

Sanjay Agarwal

CEO & Managing Director

DIN: 00246132

Sundeep Jhunjhunwala

Company Secretary

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2020

₹ in Lac

	Notes	2019-20	2018-19
INCOME			
Revenue from Operations	25	2,31,702.84	2,28,039.36
Other Income	26	1,276.44	714.54
Total Income		2,32,979.28	2,28,753.90
EXPENSES			
Cost of Materials Consumed	27	93,731.77	1,03,647.11
Purchase of Stock-in-Trade	28	19,244.34	13,966.89
Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	28	3,076.70	(2,520.47)
Employee Benefits Expense	29	35,848.08	34,560.80
Finance Cost	30	3,889.64	4,693.86
Depreciation and Amortisation Expense	31	7,631.07	5,947.58
Other Expenses	32	46,727.40	48,224.91
Impairment loss on Non Financial Assets (Refer Note No 50)		5,108.44	-
Total Expenses		2,15,257.44	2,08,520.68
Profit before Tax		17,721.84	20,233.22
Tax Expenses			
Current Tax		4,874.66	4,664.36
Less: MAT credit entitlement		-	1,752.49
Deferred Tax		318.64	2,434.21
Total Tax Expenses		5,193.30	5,346.08
Profit for the year before non controlling interest		12,528.54	14,887.14
Other Comprehensive Income (OCI)			
Items that will not be reclassified to Statement of Profit and Loss:			
Re-Measurement gain/(loss) on defined benefit plans		(53.06)	(108.14)
Income tax related to above	9	18.54	42.93
Items that will be reclassified to Statement of Profit and Loss:			
Exchange difference in respect of Non integral foreign operations		1,865.25	235.28
Other Comprehensive Income for the year, net of tax		1,830.73	170.07
Total Comprehensive Income for the year		14,359.27	15,057.21
Profit for the year			
Attributable to:			
Equity holders of the Parent		15,058.15	14,845.01
Non-controlling interests		(2,529.61)	42.13
Total Comprehensive Income for the year			
Attributable to:			
Equity holders of the Parent		16,888.89	15,007.88
Non-controlling interests		(2,529.62)	49.33
Earnings per equity share (nominal value of share ₹1/- (Previous Year ₹1/-))			
Basic and Diluted (₹)	47	6.78	6.68
Significant Accounting Policies and Key Judgements, Estimates and Assumptions	2		

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

3-54

As per our attached report of even date

For Singhi & Co.

Firm's Registration No. - 302049E

Chartered Accountants

Rajiv Singhi

Partner

Membership No. 053518

Place: Kolkata

Date: 26th June, 2020**For and on behalf of the Board of Directors****Sajjan Bhajanka**

Chairman & Managing Director

DIN: 00246043

Arun Kumar Julasaria

Chief Financial Officer

Sanjay Agarwal

CEO & Managing Director

DIN: 00246132

Sundeep Jhunjhunwala

Company Secretary

Consolidated Cash Flow Statement

 for the year ended 31st March, 2020

₹ in Lac

Particulars	2019-20	2018-19
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	17,721.84	20,233.22
Adjustments for :		
Depreciation/Amortisation	7,631.07	5,947.58
Finance Cost	3,889.64	4,693.86
(Profit)/Loss on disposal of Property, Plant and Equipment	(504.96)	275.30
(Profit)/Loss on Sale of Current Investments	(110.28)	-
Impairment loss on Investment in Subsidiary	6,446.00	-
Irrecoverable Debts Written Off	67.08	156.38
Provision for Doubtful Debts provided / (written back)	27.24	38.34
Unspent Liabilities Written Back	(99.36)	(5.08)
Unrealised Foreign Exchange Fluctuations Loss	743.95	640.18
Interest Income from financial assets at amortised cost	(119.03)	(379.06)
Operating Profit before Working Capital Changes	35,693.19	31,600.72
Adjustments for :		
(Increase) in Trade Receivables	3,889.55	5,941.27
(Increase) in Inventories	4,995.25	(7,855.12)
(Increase)/Decrease in Financial Assets	510.29	1,009.81
(Increase)/Decrease in Other Assets	(95.44)	(217.42)
Increase/(Decrease) in Long Term Provisions	530.25	(335.16)
Increase in Short Term Provisions	(341.52)	332.76
Increase in Financial Liabilities	369.26	834.44
Increase in Other Liabilities	(600.02)	1,168.35
Increase/(Decrease) in Trade Payables	(791.34)	(1,421.43)
	8,466.28	(542.50)
Cash Generated from Operations	44,159.47	31,058.22
Direct Taxes paid (Net)	(4,146.73)	(4,476.41)
Net Cash Flow from Operating Activities	40,012.74	26,581.81
B. CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds/(Outflow) from margin Money Deposit	(29.88)	(220.14)
Purchase of Property, Plant and Equipment	(12,190.21)	(16,361.98)
Sale of Property, Plant and Equipment *	9,839.02	658.82
Purchase of Current Investments	(148.60)	(31.75)
Share Application Money (Given)/Refund	-	32.53
Loans (Given)/Refunds (Net)	-	850.00
Interest Received	74.76	373.59
Net Cash Flow used in Investing Activities	(2,454.91)	(14,698.93)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Loans	(894.81)	(179.65)
Repayment of Long Term Loans	(10,401.49)	(2,951.69)
Proceeds from Short Term Borrowings	12,719.88	18,525.60
Repayment of Short Term Borrowings	(29,453.43)	(20,522.21)
Principle Payment of Lease Liability	(358.18)	-
Interest Paid (Including Interest Capitalized)	(3,875.47)	(3,407.42)
Other Borrowing Cost Paid	(123.08)	(378.28)
Dividend Paid	(4,439.75)	(2,221.21)

Consolidated Cash Flow Statement

for the year ended 31st March, 2020

₹ in Lac

Particulars	2019-20	2018-19
Tax on Dividend	(913.37)	(456.68)
Net Cash Flow from Financing Activities	(37,739.70)	(11,591.54)
	(181.87)	291.34
Cash & Cash Equivalents - Opening Balance	2,320.17	2,028.83
Cash & Cash Equivalents - Closing Balance	2,138.30	2,320.17

* Includes Impairment of non financial assets of subsidiaries during the year ended 31st March, 2020.

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

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS-7 on 'Statement of Cash Flow'
- Reconciliation between opening and closing balance's of liabilities arising from financing activities.

₹ in Lac

Particulars	Liabilities from financing activities		
	Term Loan/Vehicle Loan from Banks & Financial Institutions	Current Borrowings	Lease Liability
Balance as at 1st April,2018	20,775.03	36,767.61	-
Interest accrued but not due as at 1 st April,2018	-	133.25	-
Cash Flow (Net)	(3,131.33)	(1,996.61)	-
Non Cash Changes			
Forex	614.06	162.87	-
Finance Cost	1,257.91	2,135.53	-
Interest & Other Borrowing Cost Paid	(1,213.08)	(2,182.23)	-
Interest accrued but not due as at 31 st March,2019	(44.83)	(86.55)	-
Balance as at 1st April,2019	18,257.76	34,933.87	-
Ind AS116 Lease Liability Recognised	-	-	3,059.12
Interest accrued but not due as at 1 st April,2019	44.83	86.55	-
Cash Flow (Net)	(10,401.50)	(16,733.55)	(358.18)
Non Cash Changes			
Fair Value Changes			
Forex	625.86	122.76	-
Finance Cost	1,163.30	1,535.60	245.54
Interest & Other Borrowing Cost Paid	(1,180.70)	(1,627.07)	(245.54)
Interest accrued but not due as at 31 st March,2020	(27.43)	4.92	-
Balance as at 31st March,2020	8,482.12	18,323.08	2,700.94

- Previous year's figures have been rearranged and/or regrouped, wherever necessary

As per our attached report of even date

For Singhi & Co.

Firm's Registration No.- 302049E

Chartered Accountants

Rajiv Singhi

Partner

Membership No. 053518

Place: Kolkata

Date: 26th June, 2020

For and on behalf of the Board of Directors

Sajjan Bhajanka

Chairman & Managing Director

DIN: 00246043

Arun Kumar Julasaria

Chief Financial Officer

Sanjay Agarwal

CEO & Managing Director

DIN: 00246132

Sundeep Jhunjunwala

Company Secretary

Consolidated Statement of Changes in Equity for the year ended 31st March, 2020

A) Equity Share Capital

	Nos.	₹ in Lac
On 1 st April, 2018*	22,21,72,990	2,225.27
Changes in equity share capital during the year	-	-
Balance at 31st March, 2019*	22,21,72,990	2,225.27
Changes in equity share capital during the year	-	-
Balance at 31st March, 2020*	22,21,72,990	2,225.27

* Includes amount ₹3.54 lacs received on forfeited shares (FY 2001-02)

B) Other Equity

Particulars	Reserves and Surplus					Other Comprehensive Income (OCI)-Foreign Currency Translation Reserve	Equity attributable to owners of the Company	Non Controlling Interest	Total Other Equity
	Securities Premium Reserve	Amalgamation Reserve	Retained Earnings	Capital Redemption Reserve	General Reserve				
Balance at 1st April, 2018	1,892.77	317.40	79,183.56	50.00	990.19	262.41	82,930.13	1,839.36	84,769.49
Profit for the year	-	-	14,845.01	-	-	-	14,845.01	42.13	14,887.14
Other Comprehensive Income for the year, net of tax	-	-	(65.21)	-	-	-	(65.21)	-	(65.21)
Final Dividend for the year 2017-18	-	-	(2,221.73)	-	-	-	(2,221.73)	-	(2,221.73)
Tax on final dividend for the year 2017-18	-	-	(456.68)	-	-	-	(456.68)	-	(456.68)
Exchange difference in respect of Non integral foreign operations	-	-	-	-	-	235.28	235.28	-	235.28
On acquisition of subsidiary during the year	-	-	-	-	-	-	-	650.24	650.24
Balance at 31st March, 2019	1,892.77	317.40	91,284.95	50.00	990.19	262.41	95,266.80	2,531.73	97,798.53
Adjustments									
Profit for the year	-	-	15,058.15	-	-	-	15,058.15	(2,529.61)	12,528.54
Other Comprehensive Income for the year, net of tax	-	-	(34.52)	-	-	-	(34.52)	-	(34.52)
Exchange difference in respect of Non integral foreign operations	-	-	-	-	-	1,865.25	1,865.25	-	1,865.25
Final Dividend for the year 2018-19	-	-	(2,221.73)	-	-	-	(2,221.73)	-	(2,221.73)
Tax on final dividend for the year 2018-19	-	-	(456.68)	-	-	-	(456.68)	-	(456.68)
Interim Dividend for the year 2019-20	-	-	(2,221.73)	-	-	-	(2,221.73)	-	(2,221.73)
Tax on Interim dividend for the year 2019-20	-	-	(456.68)	-	-	-	(456.68)	-	(456.68)
On acquisition of subsidiary during the year	-	-	36.88	-	-	-	36.88	(176.37)	(139.49)
Balance at 31st March, 2020	1,892.77	317.40	1,00,988.64	50.00	990.19	262.41	1,06,835.73	(174.25)	1,06,661.49

The accompanying notes are an integral part of the Consolidated financial statements

As per our attached report of even date

For Singh & Co.

Firm's Registration No. - 302049E

Chartered Accountants

Rajiv Singhi

Partner

Membership No. 053518

Place: Kolkata

Date: 26th June, 2020

For and on behalf of the Board of Directors

Sajjan Bhajanka

Chairman & Managing Director

DIN: 00246043

Sanjay Agarwal

CEO & Managing Director

DIN: 00246132

Arun Kumar Julasaria

Chief Financial Officer

Sundeep Jhunjhunwala

Company Secretary

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2020

1. Corporate Information

The consolidated financial statements comprise financial statements of Century Plyboards (India) Limited (the Company) and its subsidiaries (collectively, the Group) for the year ended 31st March, 2020. The Company is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on National Stock Exchange of India Ltd. and BSE Limited. The Company is primarily engaged in manufacturing and sale of Plywood, Laminates, Decorative Veneers, Medium Density Fibber boards (MDF), Pre-laminated Boards, Particle Board and Flush Doors and providing Container Freight Station services (CFS). The Company presently has manufacturing facilities near Kolkata, Karnal, Guwahati, Hoshiarpur, Kandla and Chennai. Container Freight station is located near Kolkata port.

2. Significant Accounting Policies, Key Judgements, Estimates and Assumptions

2.1 Basis of Preparation

2.1.1 Compliance with Ind AS

These consolidated financial Statements relate to Century Plyboards (India) Limited. The consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 ("the Act"), as notified under the Companies (Indian Accounting Standard) Rules, 2015 and other relevant provision of the Act.

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 has applied the following accounting standards and its amendment for the first time for annual reporting period commencing 1st April, 2019.

- (i) Ind AS 116, Leases
- (ii) Amendment to Ind AS 12, Income Taxes and Ind AS 12 Appendix 'C', Uncertainty over Income Tax Treatments
- (iii) Amendment to Ind AS 23, Borrowing Cost
- (iv) Amendment to Ind AS 103, Business Combination and Ind AS 111 – Joint Arrangements
- (v) Ind AS 109 – Prepayment Features with Negative Compensation.

The amendments listed above except Ind AS 116 lease, did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current and future periods. Impact due to application of Ind AS 116 is summarised below.

On 30th March, 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116, 'Leases' as part of the Companies (Indian Accounting Standards (Ind AS)) Amendment Rules, 2019. Ind AS 116 replaces existing Ind AS 17, Leases with effect from 1st April, 2019 (the effective date). Ind AS 116 sets out principles for recognition, measurement, presentation and disclosure of leases. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. For all leases except as noted above, a lessee is required to recognise a right-of-use asset (ROU Asset) representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments in the balance sheet. Lessee will recognise depreciation of right-of-use assets and interest on lease liabilities in the statement of profit and loss. Operating cash flows will be higher as repayments of the lease liability and related interest are classified within financing activities. However, there was no major change in accounting from a Lessor perspective.

Group's new accounting policy is described in paragraph "2.2 (i)" of Accounting Policy to the financial statements and the impact of change is described below.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets measured at fair value as described in accounting policies regarding financial instruments.

The consolidated financial statements have been prepared under the historical cost convention on accrual basis except for following assets and liabilities which have been measured at fair value:

- Financial instruments - Measured at fair value;
- Plan assets under defined benefit plans - Measured at fair value;

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the financial statement is determined on such a basis, except for share-based payment transactions, leasing

Notes to Consolidated Financial Statements as at and for the year ended 31st March, 2020

transactions and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Inventories or value in use in Impairment of Assets. The basis of fair valuation of these items are given as part of their respective accounting policies.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The consolidated financial statements are presented in Indian Rupees which is the Functional Currency and all values are rounded to nearest Lakhs with two decimal except when otherwise indicated.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31st March 2020. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31st March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as on the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation Procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2020

- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill or capital reserve.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.
- (d) In case of foreign subsidiaries, being non-integral foreign operations, revenue items are translated at the average rates prevailing during the period. Assets, liabilities and equity are translated at the closing rate. Any exchange difference arising on translation is recognized in the "Foreign Currency Translation Reserve".

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including any goodwill) and liabilities of the subsidiary.
- De-recognises the carrying amount of any non-controlling interests.
- De-recognises the cumulative translation differences recorded in equity.
- Recognises the fair value of the consideration received.
- Recognises the fair value of any investment retained.
- Recognises any surplus or deficit in profit or loss.
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 Summary of Significant Accounting Policies

a) Business Combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

b) Investment in Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

Notes to Consolidated Financial Statements as at and for the year ended 31st March, 2020

The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

If an entity's share of losses of an associate equals or exceeds its interest in the associate (which includes any long term interest that, in substance, form part of the Group's net investment in the associate), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit and loss.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit of an associate' in the statement of profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

c) **Current versus Non-Current Classification**

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when it is:

- Expected to be settled in Group's normal operating cycle.
- Held primarily for the purpose of trading.
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

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

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

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2020

d) Revenue Recognition

The Group derives revenue principally from sale of Plywood, Laminates, MDF, Particle boards, Decorative Veneers, Flush Doors and CFS services. The Group recognizes revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when control of the product has been transferred to the customer, which is generally determined when title, ownership, risk of obsolescence and loss pass to the customer and the Group has the present right to payment, all of which occurs at a point in time upon shipment or delivery of the product. The Group considers shipping and handling activities as costs to fulfil the promise to transfer the related products and the customer payments for shipping and handling costs are recorded as a component of revenue. In certain customer contracts, shipping and handling services are treated as a distinct separate performance obligation and the Company recognises revenue for such services when the performance obligation is completed.

The Group considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the entity expects to be entitled to in exchange for transferring of promised goods and services to the customer after deducting incentive programs, included but not limited to discounts, volume rebates etc.

For incentives offered to customers/dealers, the Group makes estimates related to customer performance and sales volume to determine the total amounts earned and to be recorded as deductions. The estimate is made in such a manner, which ensures that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The actual amounts may differ from these estimates and are accounted for prospectively. No element of significant financing is deemed present as the sales are made with a credit term, which is consistent with market practice.

In case of related party transactions where related party meets the definition of customer (i.e. a party that has contracted with the Company to obtain goods or services that are an output of the Company's ordinary activity in exchange for consideration) and the transactions are within the scope of the standard then the revenue is recognised based on the principles of Ind AS 115.

Export incentives and subsidies are recognized when there is reasonable assurance that the Group will comply with the conditions and the incentive will be received.

Interest Income

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

Dividends

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Insurance Claims

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

e) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

f) Taxes

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

Current Tax

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

Notes to Consolidated Financial Statements as at and for the year ended 31st March, 2020

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

Deferred Tax

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (MAT Credit Entitlement) and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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

Minimum Alternative Tax (MAT) Credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income Tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset. The said asset is created by way of credit to Statement of Profit and Loss and shown as MAT credit entitlement. The company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period

g) Property, Plant and Equipment

Property, Plant and Equipment (PPE) is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.

Expenditure directly attributable to expansion projects are capitalised. Administrative, general overheads and other indirect expenditure (including borrowing costs) incurred during the project period which are not related to the project nor are incidental thereto, are charged to Statement of Profit and Loss.

Effective 1st April, 2018, depreciation on property, plant and equipment is provided under Straight Line method except for certain subsidiaries which are providing under written down value method at the rates determined based on useful lives of the respective assets and residual values which is in line with those indicated in Schedule II of The Companies Act, 2013.

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

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

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An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

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

h) Intangible Assets

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

The Group has intangible assets with finite useful lives.

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

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

Intangible assets (Computer Software) are amortised on a Straight Line method over a period of 3 years.

i) Investment Property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

All other repair and maintenance costs are recognised in profit or loss as incurred.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de-recognition.

j) Borrowing Costs

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

k) Leases

The Group as lessor

Leases for which the group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Notes to Consolidated Financial Statements as at and for the year ended 31st March, 2020

The Group as lessee

The group assesses whether a contract is or contains a lease, at inception of the contract. The group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

Lease Liability

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Balance Sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Right of Use (ROU) Assets

The ROU assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets. The costs are included in the related right-of-use asset.

ROU assets are depreciated over the shorter period of the lease term and useful life of the underlying asset. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The depreciation starts at the commencement date of the lease.

The ROU assets are not presented as a separate line in the Balance Sheet but presented below similar owned assets as a separate line in the PPE note under "Notes forming part of the Financial Statement".

The group applies Ind AS 36- Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as per its accounting policy on 'property, plant and equipment'.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components when bifurcation of the payments is not available between the two components, and instead account for any lease and associated non-lease components as a single arrangement. The group has used this practical expedient.

Notes to Consolidated Financial Statements

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Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

l) Inventories

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

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- (i) **Raw materials, Stores and Spares:** These are valued at lower of cost and net realisable value. However, material and other items held for use in production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- (ii) **Finished goods and work in progress:** These are valued at lower of cost and net realisable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost is determined on weighted average basis.
- (iii) **Traded goods:** These are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

m) Impairment of Non-Financial Assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

n) Retirement and Other Employee Benefits

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the group recognizes contribution payable to the provident fund scheme as expenditure when an employee renders the related service.

The Group has no obligations other than the contribution payable to the respective funds.

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

Short term compensated absences are provided for based on estimates.

The Group treats accumulated leaves expected to be carried forward beyond twelve months as long term employee benefit for measurement purposes. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the end of each financial year. The Group does not have an unconditional right to defer the settlement for the period beyond 12 months and accordingly entire leave liability is shown as current liability.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to the statement of profit or loss in subsequent periods.

o) Foreign Currency Translation

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Notes to Consolidated Financial Statements as at and for the year ended 31st March, 2020

Transactions in foreign currencies are initially recorded in reporting currency by the Group at spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit and loss, respectively).

On consolidation of subsidiaries, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

p) **Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

(i) **Initial Recognition and Measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the settlement date, i.e., the date that the asset is delivered to or by the Group which generally coincides with the trade date.

(ii) **Subsequent Measurement**

For purposes of subsequent measurement, financial assets are classified in following categories:

- (a) Debt Instruments at Amortised Cost
- (b) Equity instruments at fair value through profit or loss (FVTPL)

(a) **Debt Instruments at Amortised Cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- (i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables, cash and bank balances, loans and other financial assets of the Group.

(b) **Equity instruments at fair value through profit or loss (FVTPL)**

All equity investments in scope of Ind AS 109 are measured at fair value except equity investments in subsidiaries which are measured at cost as per Ind AS 27. For equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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If the Group decides to classify an equity instrument as at Fair Value through Other Comprehensive Income ("FVTOCI"), then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

(iii) De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Group's balance sheet) when the rights to receive cash flows from the asset have expired.

(iv) Impairment of Financial Assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

As a practical expedient, the Group uses historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates to determine impairment loss allowance on portfolio of its trade receivables.

Financial Liabilities

(i) Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

(ii) Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(iii) De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(iv) Offsetting of Financial Instruments

Financial assets and financial 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.

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(v) Derivative Financial Instruments

Initial Recognition and Subsequent Measurement

The Group uses derivative financial instruments, such as forward contracts, interest rate swaps, etc. to hedge its foreign currency risks and interest rate risks and are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

q) Fair Value Measurement

The Group measures financial instruments, such as, quoted investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

- (i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- (iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements at fair value on recurring basis, the Group determines whenever transfers have occurred between levels in the hierarchy by reassessing categorization at the end of each reporting period and discloses the same.

r) Cash and Cash Equivalents

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

s) Cash Dividend to Equity Holders

The Group recognises a liability to make cash distributions to equity holders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

t) Earning per Share

An earning per share is calculated by dividing the net profit or loss before OCI for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

u) Segment Reporting

The Group's operating business segments are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the group operate.

v) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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w) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

2.3 Critical accounting judgment and key sources of estimation uncertainty

The application of accounting policies requires management to make estimates and judgments in determining certain revenues, expenses, assets, and liabilities. The following paragraphs explain areas that are considered more critical, involving a higher degree of judgment and complexity.

- a. **Impairment of non-current assets** - Ind AS 36 requires that the group assesses conditions that could cause an asset or a Cash Generating Unit (CGU) to become impaired and to test recoverability of potentially impaired assets. These conditions include internal and external factors such as the group's market capitalization, significant changes in the group's planned use of the assets or a significant adverse change in the expected prices, sales volumes or raw material cost. The identification of CGUs involves judgment, including assessment of where active markets exist, and the level of interdependency of cash inflows. CGU is usually the individual plant, unless the asset or asset group is an integral part of a value chain where no independent prices for the intermediate products exist, a group of plants is combined and managed to serve a common market, or where circumstances otherwise indicate significant interdependencies.

In accordance with Ind AS 36, goodwill and certain intangible assets are reviewed at least annually for impairment. If a loss in value is indicated, the recoverable amount is estimated as the higher of the CGU's fair value less cost to sell, or its value in use. Directly observable market prices rarely exist for the group's assets, however, fair value may be estimated based on recent transactions on comparable assets, internal models used by the group for transactions involving the same type of assets or other relevant information. Calculation of value in use is a discounted cash flow calculation based on continued use of the assets in its present condition, excluding potential exploitation of improvement or expansion potential.

Determination of the recoverable amount involves management estimates on highly uncertain matters, such as commodity prices and their impact on markets and prices for upgraded products, development in demand, inflation, operating expenses and tax and legal systems. The group uses internal business plans, quoted market prices and the group's best estimate of commodity prices, currency rates, discount rates and other relevant information. The group does not include a general growth factor to volumes or cash flows for the purpose of impairment tests, however, cash flows are generally increased by expected inflation and market recovery towards previously observed volumes.

b. Defined Benefit Plans

The cost of the employment benefits such as gratuity, leave and provident fund obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note No. 34

- c. **Environmental liabilities and Asset Retirement Obligation (ARO)** – Estimation of environmental liabilities and ARO require interpretation of scientific and legal data, in addition to assumptions about probability and future costs.

Notes to Consolidated Financial Statements as at and for the year ended 31st March, 2020

- d. **Taxes** – The group calculates income tax expense based on reported income. Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax basis that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned tax optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.
 - e. **Classification of leases** – The group enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.
 - f. **Useful lives of depreciable/ amortisable assets (tangible and intangible)** - Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment
 - g. **Expected Credit Loss Model** - The group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the Financial Assets. The group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. As a practical expedient, the group uses historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates to determine impairment loss allowance on portfolio of its trade receivables.
 - h. **Significant judgments when applying Ind AS 115** – Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services. The application of revenue recognition accounting standards is complex and involves a number of key judgements and estimates. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer/dealer. The Group makes estimates related to customer performance and sales volume to determine the total amounts earned and incentive to be recorded as deductions. The Group exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of control to the customer, acceptance of delivery by the customer, etc.
 - i. **Estimation uncertainty relating to the global health pandemic on COVID-19**- The group has considered internal and external information up to the date of approval of financial statements In assessing the recoverability of property plant and equipments, receivables, intangible assets, cash and cash equivalent and investments.. The group has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions; the group expects to recover the carrying amount of these assets. The Group has concluded that the impact of COVID – 19 is not material based on these estimates .The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the group will continue to closely monitor any material changes to future economic conditions.
- 2.4 New Standards / Amendments to Existing Standard issued but not yet effective –**
The Ministry of Corporate Affairs has not notified new standards or amendments to the existing standards which would have been applicable from 1st April, 2020.

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2020

3. Property, Plant and Equipment

Name of Assets	COST OR VALUATION				DEPRECIATION				NET BLOCK	
	As at 1 st April, 2019	Additions	Disposals	FCT Reserve Adjustment	As at 31 st March, 2020	Charge for the year	Disposals	FCT Reserve Adjustment	As at 31 st March, 2020	As at 31 st March, 2019
A TANGIBLE ASSETS										
Land & Site Development										
- Freehold	6991.99	123.22	-	-	7,115.21	-	-	-	7,115.21	6,991.99
Factory Buildings	15,200.88	609.96	-	64.20	15,875.04	583.62	-	11.29	12,900.69	12,821.44
Non-Factory Buildings										
- on Freehold Land	11,857.84	269.45	995.80	-	11,131.49	453.32	30.67	-	9,663.58	10,812.58
- on Leasehold Land	1,059.11	68.03	-	-	1,127.14	206.57	-	-	630.94	769.48
Storage Yard on Leasehold Land	2,373.66	-	-	-	2,373.66	334.69	10.43	-	195.16	519.42
Vessel - MV Aegis Fortune										
Plant & Machinery	58,290.82	2,881.34	7,000.65	945.66	55,117.17	4,195.35	1,380.90	157.25	36,729.22	42,874.57
Electrical Installations	3,864.45	86.84	175.35	20.80	3,796.74	313.33	15.07	7.22	2,498.80	2,871.99
Furniture & Fixtures	2,514.11	322.00	377.53	2.35	2,460.93	219.87	26.04	1.16	1,907.42	2,155.59
Office Equipments	1,704.97	114.68	219.22	1.60	1,602.03	477.47	38.66	0.78	913.55	1,227.50
Computers	892.97	152.11	82.35	0.76	963.49	153.45	35.26	0.45	490.39	538.51
Vehicles	3,240.51	168.39	50.91	1.46	3,359.45	291.97	36.68	0.68	1,759.75	1,896.78
B RIGHT OF USE ASSETS										
Land	3,440.69	-	-	-	3,440.69	604.41	-	-	604.41	2,836.28
Total (A+B)	1,11,432.00	4,796.02	8,901.81	1,036.83	1,08,363.04	7,605.47	1,573.71	178.83	30,722.05	83,479.85
C CAPITAL WORK IN PROGRESS	2,683.76	900.93	1,984.42	-	1,600.27	-	-	-	1,600.27	2,683.76

4. Intangible Assets

Name of Assets	COST OR VALUATION				DEPRECIATION				NET BLOCK	
	As at 1 st April, 2019	Additions	Disposals	FCT Reserve Adjustment	As at 31 st March, 2020	Charge for the year	Disposals	FCT Reserve Adjustment	As at 31 st March, 2020	As at 31 st March, 2019
A INTANGIBLE ASSETS										
Computer Softwares	425.49	2.80	25.24	-	403.05	25.60	(0.26)	-	315.29	136.06
Goodwill	28.09	100.40	-	-	128.49	-	-	-	128.49	28.09

Notes :

- Vehicles Includes taken against vehicle loan written down Value ₹950.90 Lacs (₹1330.54 Lacs) [Refer Note No.16]
- Contractual commitments for acquisition of Property, Plant & Equipments is disclosed in Refer Note No.34(i)
- For assets pledged against borrowings Refer Note No.16 & 19

Notes to Consolidated Financial Statements as at and for the year ended 31st March, 2020

5. Investment Property

Particulars	₹ in Lac	
	Amount	
Opening balance at 1 st April, 2018	610.16	
Addition	-	
Closing balance at 31 st March, 2019	610.16	
Addition	-	
Closing balance at 31 st March, 2020	610.16	

Reconciliation of fair value:	₹ in Lac	
	Amount	
Opening balance at 1 st April, 2018	600.00	
Fair value difference	213.00	
Closing balance at 31 st March, 2019	813.00	
Fair value difference	27.00	
Closing balance at 31 st March, 2020	840.00	

These valuations are based on valuations performed by Mr. Sujit Kr. Dey, an accredited independent valuer holding recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

6. Investments

Particulars	Face Value per share	No of Shares / Units	₹ in Lac	
			As at 31 st March, 2020	As at 31 st March, 2019
Non-Current Investments at fair value through profit or loss (FVTPL)				
Unquoted Equity Instruments				
(i) Investments In Others (at FVTPL)				
Watson Infrabuild Pvt. Ltd.	10	200223 (320223)	20.02	32.02
Association of Indian Panelboard Manufacturer	10	500	0.50	0.50
Indian Laminate Manufacturer's Association	1000	125	1.25	1.25
Total			21.77	33.77
Aggregate amount of unquoted investment			21.77	33.77

7. Loans and Advances (at amortised cost)

	₹ in Lac			
	Non Current		Current	
	31 st March, 2020	31 st March, 2019	31 st March, 2020	31 st March, 2019
Security Deposits	1,521.94	1,392.17	409.41	401.55
Loans:				
- To a Body corporate	-	-	150.00	150.00
Total	1,521.94	1,392.17	559.41	551.55

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2020

8. Other Financial Assets (At Amortised Cost)

₹ in Lac

	Non Current		Current	
	31 st March, 2020	31 st March, 2019	31 st March, 2020	31 st March, 2019
Unsecured Considered Good				
Advances recoverable in cash or kind	-	-	1,575.68	1,063.37
Other Receivables	-	-	563.47	527.04
Interest accrued on Loans, Deposits etc	-	-	130.62	86.35
Insurance Claim Receivable	-	-	86.58	57.41
Total	-	-	2,356.35	1,734.17
Due from officer of the Company	-	-	-	7.00

9. Income Tax

₹ in Lac

	31 st March, 2020	31 st March, 2019
(i) Current income tax recognised in Statement of Profit & Loss		
Current income tax	4,874.66	4,664.36
MAT credit entitlement	-	(1,752.49)
Deferred tax:	318.64	2,434.21
Income tax expense reported in the Statement of Profit or Loss	5,193.30	5,346.08
OCI section		
Current Tax recognised for Other Comprehensive Income (OCI)		
Tax on net loss(gain) on remeasurement of defined benefit plan	18.54	42.93
	18.54	42.93
(ii) Deferred Tax Assets		
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	816.79	750.93
Plant Property and Equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	(2,400.42)	(1,965.93)
Provision for doubtful debts and advances	313.02	313.02
	(1,270.61)	(901.98)
Minimum Alternate Tax Credit Entitlement *	7,052.82	7,052.82
Deferred Tax Assets	5,782.21	6,150.84
(iii) Deferred Tax Liability		
Plant Property and Equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	47.52	116.05
Deferred Tax Liability	47.52	116.05
(iv) Deferred Tax (Net) (Recognised in Total Comprehensive Income)		
a) Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	65.86	4.52
b) Property, Plant & Equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	(365.96)	(2,398.67)
c) Provision for doubtful debts and advances	-	2.87
d) Minimum Alternate Tax Credit Entitlement	-	1,752.49
	(300.10)	(638.79)

*The management is certain that there will be sufficient taxable profit to utilise the MAT credit recognised in the books of accounts.

(v) Movement in deferred tax assets and liabilities:

₹ in Lac

Particulars	As at 1 st April, 2018	Recognised in Statement of Profit & Loss	Recognised in OCI	As at 31 st March, 2019	Recognised in Statement of Profit & Loss	Recognised in OCI	As at 31 st March, 2020
Deferred Tax Assets							
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	746.41	(38.41)	42.93	750.93	47.32	18.54	816.79
Property, Plant & Equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	545.89	(2,511.82)	-	(1,965.93)	(434.49)	-	(2,400.42)
Provision for doubtful debts and advances	310.15	2.87	-	313.02	-	-	313.02
Write off of Investment in subsidiary	-	-	-	-	-	-	-
Reversal of defer tax during lower tax regime	-	-	-	-	-	-	-
	1,602.45	(2,547.36)	42.93	(901.98)	(387.17)	18.54	(1,270.61)
Minimum Alternate Tax Credit Entitlement	5,300.33	1,752.49	-	7,052.82	-	-	7,052.82
Total Deferred Tax Assets	6,902.78	-	-	6,150.84	-	-	5,782.21
Deferred Tax Liability							
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	(229.20)	113.15	-	(116.05)	68.53	-	(47.52)
Total Deferred Tax Liability	(229.20)	113.15	-	(116.05)	68.53	-	(47.52)

(vi) The Taxation Law (Amendments) Ordinance 2019 ('the Ordinance'), in India provides an option to domestic companies to pay income-tax at a lower rate of 22% (plus applicable surcharge and cess) instead of the normal rate of 30% (plus applicable surcharge and cess) depending on the conditions specified in this behalf under section 115 BAA of the Income Tax Act, 1961. A domestic company can avail of the lower tax rate only if it opts for not availing of certain exemptions or incentives specified in this behalf in the Ordinance. There is no time limit prescribed under the above to choose the option of lower tax rate under section 115 BAA, however, once chosen it is irreversible. The Group has made an assessment of the impact of ordinance and decided to continue with the existing tax structure until the utilisation of MAT credit entitlement and tax incentives available to the Group. In compliance with the accounting standards, the Group has evaluated the outstanding deferred tax liability and written back an amount of ₹759 lacs to the statement of profit and loss accounts on account of re-measurement of deferred tax liability that is expected to reverse in future when the Group would migrate to the new tax regime.

(vii) The Group has reviewed its income tax treatments in order to determine whether they could have an impact on the financial statements and concluded that it has no material impact on the Company's financial statements. As a practice, where the interpretation of income tax law is not clear, management relies on some or all of the following factors to determine the probability of its acceptance by the tax authority: • Strength of technical and judicial argument and clarity of the legislation; • Past experience related to similar tax treatments in its own case; • Legal and professional advice or case law related to other entities. After analysing above factors for each of such uncertain tax treatments, where the Company expects that the probability to sustain its position on ultimate resolution of such uncertain tax treatment is remote, the Company ensures that such uncertain tax positions are adequately provided for in the Company's financial Statements.

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2020

10. Other Assets

₹ in Lac

	Non Current		Current	
	31 st March, 2020	31 st March, 2019	31 st March, 2020	31 st March, 2019
Anti Dumping Duty Receivable (Refer Note No.40)	-	-	176.66	176.66
Capital Advances Against Plant Property and Equipment	2,139.88	922.85	8.00	-
Advance to Vendors	-	-	2,801.32	1,687.12
Deposits against Demand under Disputes	-	-	67.43	114.03
Balance with Statutory/Government Authorities	-	1.88	167.40	1.06
Central/State Government Subsidies Receivable	-	-	1,366.63	1,717.79
Prepaid Expenses	133.61	482.77	438.75	618.51
Total	2,273.49	1,407.50	5,026.19	4,315.17

11. Inventories

₹ in Lac

	Notes	31 st March, 2020	31 st March, 2019
(At Lower of Cost and Net Realisable Value)			
Raw Materials	27	16,672.96	20,080.02
Work-in-Progress	28	4,141.39	4,576.58
Stock in Trade	28	2,421.13	3,422.43
Finished Goods	28	13,133.58	14,773.79
Stores & Spares Parts, etc		3,428.97	3,278.02
Total		39,798.03	46,130.84
Note:-			
The above includes Stock-in-Transit			
Raw Materials		1,556.93	1,285.22
Stock in Trade		246.40	635.54
Inventories are pledged against the cash credit limit obtained by the Group			
During the year ₹321.10 lacs (31 st March, 2019: ₹298.79 lacs) was charged to the Statement of Profit and Loss on account of damage and slow moving inventory.			

12. Trade Receivables

₹ in Lac

	Current	
	31 st March, 2020	31 st March, 2019
Trade Receivables (Unsecured)		
Considered Good	25,684.13	29,568.21
Considered Doubtful	895.76	895.76
	26,579.89	30,463.97
Less:Provision for doubtful trade receivables	895.76	895.76
Total	25,684.13	29,568.21
Refer Note No.41 for Related Party disclosure		
Trade receivables are pledged against the cash credit limit obtained by the Company.		
Trade receivables are non-interest bearing and are generally on terms of 45 days.		
No debts are due from Directors or other officers of the Company		

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2020

13. Cash and Bank Balances

₹ in Lac

	31 st March, 2020	31 st March, 2019
(i) Cash and Cash Equivalents		
Cash on hand	101.83	79.12
Balances with Banks		
On Current accounts	2,026.70	2,073.48
Deposits with Original Maturity of less than three months	-	65.41
Cheques/Drafts on hand	9.77	102.16
	2,138.30	2,320.17
Note: There is no repatriation restrictions with regard to cash and cash equivalent as at the end of the reporting period and prior periods		
(ii) Bank Balances other than above		
Margin Money Deposits with Original Maturity of more than 3 months but less than 12 months	310.27	280.39
Unpaid Dividend Account	26.90	23.19
Total	337.17	303.58

14. Equity Share Capital

₹ in Lac

	31 st March, 2020	31 st March, 2019
Authorised		
65,05,00,000 (65,05,00,000 as at 31 st March, 2019) Equity Shares of ₹1/- each	6,505.00	6,505.00
15,00,000 (15,00,000 as at 31 st March, 2019) Preference Shares of ₹10/- each	150.00	150.00
50,000 (50,000 as at 31 st March, 2019) Preference Shares of ₹100/- each	50.00	50.00
Total	6,705.00	6,705.00
Issued		
22,35,52,990 (22,35,52,990 as at 31 st March, 2019) Equity Shares of ₹1/- each	2,235.53	2,235.53
Total	2,235.53	2,235.53
Subscribed and Paid up		
22,21,72,990 (22,21,72,990 as at 31 st March, 2019) Equity Shares of ₹1/- each	2,221.73	2,221.73
Add: Amount received on forfeited shares(FY 2001-02)	3.54	3.54
Total	2,225.27	2,225.27

- a) There is no change in number of shares in current year and last year.
- b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	31 st March, 2020		31 st March, 2019	
	No. of Shares	₹ in Lac	No. of Shares	₹ in Lac
At the Beginning of the year	22,21,72,990	2,221.73	22,21,72,990	2,221.73
Issued during the year	-	-	-	-
Outstanding at the end of the year	22,21,72,990	2,221.73	22,21,72,990	2,221.73

- c) **Terms/Rights attached to the Equity Shares**

The company has only one class of equity shares having par value of ₹1/- per share. Each holder of equity shares is entitled to one vote per share.

The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in proportion to their shareholdings.

- d) The Company does not have any Holding/ Ultimate Holding Company. As such, no shares are held by them or their Subsidiaries/ Associates

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2020

14. Equity Share Capital (contd.)

e) Details of Shareholders holding more than 5% shares in the company

	31 st March, 2020		31 st March, 2019	
	No. of Shares	% of holding	No. of Shares	% of holding
Sri Sajjan Bhajanka	2,62,14,037	11.80%	2,57,34,402	11.58%
Sri Sanjay Agarwal	2,48,80,460	11.20%	2,47,56,383	11.14%
Smt. Divya Agarwal	1,67,49,750	7.54%	1,67,49,750	7.54%
Smt. Santosh Bhajanka	1,54,49,500	6.95%	1,54,49,500	6.95%
Sri Vishnu Khemani	1,27,86,900	5.76%	1,27,47,000	5.74%

As per records of the Company, including its register of members as at 31st March, 2020, the above shareholding represents legal ownerships of shares.

- f) There are NIL(Previous year NIL) shares reserved for issue under option and contracts/commitment for the sale of shares/disinvestment.
- g) During the period of five years immediately preceding the reporting date:
- No shares were issued for consideration other than cash
 - No bonus shares were issued
 - No shares were bought back
- h) There are NIL (Previous year NIL) securities convertible into Equity/ Preference Shares.
- i) There are NIL (Previous year NIL) calls unpaid including calls unpaid by Directors and Officers as on the balance sheet date.
- j) No shares were forfeited during the year or during the previous year.1,38,000 equity shares of ₹10/-each(post split 13,80,000 equity shares of ₹1/- each) on which ₹3.54 lacs had been paid up, were forfeited in the year 2001-2002

15. Other Equity

₹ in Lac

	31 st March, 2020	31 st March, 2019
Capital Reserve	262.41	262.41
Amalgamation Reserve	317.40	317.40
Securities Premium Reserve	1,892.77	1,892.77
Foreign Currency Translation Reserve		
Balance as per the last Financial Statements	469.08	233.80
Add:Exchnage difference in respect of Non integral foreign operations	1865.25	235.28
Foreign Currency Translation Reserve	2,334.33	469.08
General Reserve	990.19	990.19
Capital Redemption Reserve	50.00	50.00
Total	5,847.10	3,981.85
Retained Earnings		
Balance at the beginning of the year	91,284.95	79,183.56
Other Comprehensive Income arising from remeasurement of defined benefit obligation (net of tax)	(34.52)	(65.21)
Add: On acquisition of subsidiary during the year	36.88	-
Add: Profit for the year	15,058.15	14,845.01
Less: Appropriations		
Payment of Final Dividend for the year 2018-19 (2017-18)	2,221.73	2,221.73
Tax on final dividend for the year 2018-19 (2017-18)	456.68	456.68
Interim Dividend ₹1 (NIL) per share for the year 2019-20 (Refer Note No.49)	2,221.73	-
Tax on Interim Equity Dividend	456.68	-
Total Appropriations	5,356.82	2,678.41
Balance at the end of the year	1,00,988.64	91,284.95
Total	1,06,835.74	95,266.80

Notes to Consolidated Financial Statements as at and for the year ended 31st March, 2020

15. Other Equity (contd.)

Amalgamation Reserve:- This reserve was created on amalgamation of Shyam Century Ferrous Limited with the Company during the financial year 2005-2006.

Securities Premium Reserve:- This reserve had been created on issue of shares by way of public issue and right issue.

Foreign Currency Translation Reserve:- Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognized directly in the other comprehensive income and accumulated in foreign currency translation reserve.

General Reserve:- General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purpose. General reserve is created by a transfer from one component to equity to another and is not an item of other comprehensive income.

Capital Redemption Reserve:- This reserve was created for redemption of preference shares by the Company in FY 2012-2013.

16. Borrowings (At Amortised Cost)

₹ in Lac

	Non Current		Current	
	31 st March, 2020	31 st March, 2019	31 st March, 2020	31 st March, 2019
Term Loans (Secured)				
Indian Rupee Loan from Banks	-	5,393.52	-	1,447.14
Foreign Currency Loan from Banks	5,150.44	7,217.94	2,716.57	3,063.10
Other Loans (Secured)				
Auto,Car/Vehicle Loan				
- From banks	142.81	615.11	472.30	512.05
- From Bodies Corporate	-	-	-	8.90
	5,293.25	13,226.57	3,188.87	5,031.19
Amount disclosed under the head "Other Current Financial Liabilities" (Refer Note No.21)	-	-	(3188.87)	(5031.19)
Total	5,293.25	13,226.57	-	-

Notes:-

- Foreign currency term loan of ₹4757.71 Lacs (31st March 2019 : ₹6390.23) carries interest @ 6 months LIBOR + 1.30% p.a (31st March 2019 @ 6 months LIBOR + 1.30% p.a.). The loan is repayable in 16 unequal quarterly installments by 31st March 2023 and is secured/to be secured by 1st charge on all the fixed assets pertaining to the Plywood Unit at Bishnupur, West Bengal on pari passu basis with other term lenders.
- Foreign currency term loan of ₹3109.30 Lacs (31st March, 2019 : ₹3890.81 lacs) carries interest @ 6 Months LIBOR + 1.25% p.a. (31st March 2019 @ 6 Months LIBOR + 1.25% p.a.). The Loan is repayable in 16 equal quarterly instalments commencing from January 2019 & ending by October 2022 and is secured/to be secured by 1st charge on all the Fixed Assets of the Plywood Unit at Bishnupur West Bengal on pari passu basis with other term lenders.
- Term loan of ₹ NIL (31st March 2019: ₹6840.66 Lacs) carries interest @ NIL (31st March 2019 @ MCLR 8.65%). The Loan has been fully prepaid during the year.
- Auto,Car/Vehicle loans are secured by hypothecation of the assets purchased, and carrying interest between 8.41% p.a to 9.90% p.a (2018-19 8.41% to 9.85%p.a).

17. Other Financial Liabilities

₹ in Lac

	Current	
	31 st March, 2020	31 st March, 2019
Trade Deposits	1,726.80	1,516.59
Amount disclosed under the head Other Current Financial Liabilities (Refer Note No.21)	(1,726.80)	(1,516.59)
Total	-	-

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2020

18. Other Non Current Liabilities

₹ in Lac

	31 st March, 2020	31 st March, 2019
Deferred Revenue		
At 1 st April	143.51	165.40
Add: Capital Subsidy received during the year	262.45	-
Less: Released to the statement of profit and loss	103.40	21.89
At 31 st March	302.56	143.51
Current (Amount Disclosed under the head Other Current Liabilities)(Refer Note No.22)	69.58	67.90
Non-current	232.98	75.61

The deferred revenue relates to the asset related government grant received, the same has been accounted for as deferred revenue and proportionately recognised in Statement of Profit and Loss.

19. Short Term Borrowings (At Amortised Cost)

₹ in Lac

	31 st March, 2020	31 st March, 2019
Loans repayable on demand		
Cash Credit from banks (Secured)	1,738.02	20,477.24
Others		
- From Directors	5,352.38	-
- From Bodies Corporate (Unsecured)	4,295.29	-
Other Loans and advances		
Short Term Loan from Bank (Unsecured)	-	5,000.00
Buyers Credit from banks (Secured)		
- For Capital Expenditure	-	4,109.21
- For Raw Materials	3,242.39	47.42
Packing Credit (Secured)	3,695.00	5,300.00
Total	18,323.08	34,933.87

Notes:-

- Cash Credit and Buyer's Credit from banks amounting to ₹4,980.41 lacs (31st March, 2019 : ₹24,633.87 lacs) are secured by way of first charge on current assets (both present and future) of the company.
- The cash credit is repayable on demand and carries interest @ 8.25% to 9.85% (31st March, 2019 : 8.35% to 10.55%) p.a.
- Buyers credit carries interest @ LIBOR plus 0.90% to 1.75% p.a (2018-19 0.60% to 1.40% p.a) and is repayable in 90-180 days.
- Rate of Interest for Packing Credit is 3.75% to 5.75% p.a (2018-19 5.50% to 6.00% p.a.)
- Rate of Interest for unsecured loan from Directors & Bodies Corporate is 5.00% p.a (2018-19 7.50% p.a.)

20. Trade Payables (At Amortised Cost)

₹ in Lac

	31 st March, 2020	31 st March, 2019
- Dues to Micro and Small Enterprises (Refer Note No.35)	458.03	154.46
- Dues to Others	14,696.84	15,795.42
Total	15,154.87	15,949.88

Notes to Consolidated Financial Statements as at and for the year ended 31st March, 2020

21. Other Current Liabilities

₹ in Lac

	31 st March, 2020	31 st March, 2019
Current Maturities of Long Term Debts (Refer Note No.16)	2,716.57	4,510.24
Current maturities on Vehicle Loan Obligations (Refer Note No.16)	472.30	520.95
Trade Deposits	16.58	6.00
Interest accrued but not due on Borrowings	22.47	131.38
Unpaid Dividend (To be deposited in Investor Education and Protection Fund as and when due)	26.90	23.19
Capital Creditors	389.17	619.81
Current Maturities of Other Non Current Financial Liabilities (Refer Note No.17)	1,726.80	1,516.59
Employee related liabilities	3,695.52	4,367.55
Total	9,066.31	11,695.71

21A. Contract Liabilities

₹ in Lac

	31 st March, 2020	31 st March, 2019
Advances from Customers	1,755.08	730.50
Total	1,755.08	730.50

22. Other Current Liabilities

₹ in Lac

	31 st March, 2020	31 st March, 2019
Statutory Dues Payable*	2,201.22	3,160.66
Deferred Revenue (Refer Note No.18)	69.58	67.90
Total	2,270.80	3,228.56

* Includes ₹1425.10 lacs (₹1425.10 lacs) net of payments pertaining to Entry Tax on entry of certain goods into a local area of the State of West Bengal.

The Company has challenged the legal validity of levy of the Entry Tax before Calcutta High Court. The High Court has subsequently transferred the matter to the West Bengal Taxation Tribunal.

23. Provisions

₹ in Lac

	Non Current		Current	
	31 st March, 2020	31 st March, 2019	31 st March, 2020	31 st March, 2019
Provision for Employee Benefits				
Gratuity	725.81	195.56	-	467.10
Leave Encashment	-	-	710.70	532.06
Total	725.81	195.56	710.70	999.16

24. Current Tax liabilities

₹ in Lac

	31 st March, 2020	31 st March, 2019
Provision for Taxation (Net of Advance Tax)	834.48	9.02
Total	834.48	9.02

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2020

25. Revenue from Operations

₹ in Lac

	2019-20	2018-19
Revenue from Operations		
Sale of Products	2,21,703.91	2,16,381.50
Income from Services	8,631.00	9,964.79
Other Operating revenue		
Scrap Sales	201.71	151.51
Export Incentives	865.42	914.75
Indirect Tax Subsidy	254.30	404.60
Miscellaneous Income	46.50	222.21
Total	2,31,702.84	2,28,039.36

₹ in Lac

	2019-20	2018-19
Details of Products Sold		
Plywood & Block board	1,16,533.26	1,17,455.57
Laminates	45,454.63	43,219.11
Pre-Laminated Particle Boards	6,676.89	6,905.02
Veneer	9,864.67	11,396.18
Particle Board	3,076.72	2,797.17
Medium Density Fibre Board	35,220.72	29,580.42
Agri Products	574.12	510.84
Phenol	751.76	1,493.19
Others	3,551.14	3,024.00
Total	2,21,703.91	2,16,381.50
Details of Income from Services		
Container Freight Station Services	8,625.61	9,918.49
Other Services	5.39	46.30
Total	8,631.00	9,964.79

Reconciliation of Revenue from sale of products with the contracted price

₹ in Lac

	31 st March, 2020	31 st March, 2019
Contracted Price	2,31,688.83	2,27,669.64
Less: Trade discounts, volume rebates, etc.	9,984.92	11,288.14
Sale of products	2,21,703.91	2,16,381.50

1. Refer Note No.45 for disaggregated revenue information
2. Other Information
 - a) The Company satisfies its performance obligation on shipment/delivery as per terms of contract.
 - b) The contract does not have any financing component.

Notes to Consolidated Financial Statements as at and for the year ended 31st March, 2020

26. Other Income

₹ in Lac

	2019-20	2018-19
Interest Income from financial assets at amortised cost	119.03	379.06
Insurance and Other Claims	30.03	19.27
Unspent/Unclaimed liabilities written back	99.36	5.08
Profit on Plant Property and Equipment Sold /Discarded	512.05	92.16
Bad Debts Recovered	0.61	0.85
Foreign Exchange Fluctuations (Net)	204.75	-
Net gain on sale of Investments carried at FVTPL	110.28	-
Miscellaneous Receipts	98.93	218.12
Government Grant	101.40	-
Total	1,276.44	714.54

27. Cost of Materials Consumed

₹ in Lac

	2019-20	2018-19
Inventories at the beginning of the year	20,080.02	15,515.75
Add : Purchases	90,324.71	1,08,211.38
	1,10,404.73	1,23,727.13
Less : Inventories at the end of the year	16,672.96	20,080.02
Cost of Materials Consumed	93,731.77	1,03,647.11
Details of Material Consumed		
Timber Logs	12,972.09	12,625.14
Veneer	30,838.18	38,640.20
Chemicals	21,623.80	23,309.96
Paper	17,415.09	19,491.15
Waste Wood	10,865.69	9,220.28
Particle Board	16.92	360.38
Total	93,731.77	1,03,647.11
Details of Closing Stock of Materials		
Timber Logs	2,584.50	3,735.14
Veneer	7,340.02	8,708.69
Chemicals	1,381.51	1,578.50
Paper	4,684.62	5,150.22
Particle Board	29.43	34.52
Waste Wood	652.88	872.95
Total	16,672.96	20,080.02

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2020

28. Purchase of Stock-in-Trade and Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

₹ in Lac

	2019-20	2018-19
Inventories at the beginning of the year		
Stock in Trade	3,422.43	4,603.40
Finished Goods	14,773.79	11,763.49
Work-in-Progress	4,576.58	3,885.44
	22,772.80	20,252.33
Inventories at the end of the year		
Stock in Trade	2,421.13	3,422.43
Finished Goods	13,133.58	14,773.79
Work-in-Progress	4,141.39	4,576.58
	19,696.10	22,772.80
Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	3,076.70	(2,520.47)
Details of Purchase of Stock in Trade		
Plywood and Block boards	13,131.85	9,104.65
Veneer	2,201.49	780.99
Chemicals	562.84	610.54
Pest Control Kits	19.17	39.58
Phenol	736.62	1,463.17
Others	2,592.37	1,967.96
Total	19,244.34	13,966.89
Details of Inventories at the end of the year		
Stock in Trade		
Plywood and Block board	1,338.85	2,105.82
Chemicals	89.26	82.01
Pest Control Kits	45.21	65.20
Veneer	377.48	634.37
Others	570.33	535.03
Total	2,421.13	3,422.43
Finished Goods at the end of the year		
Plywood and Block board	4,199.71	3,688.77
Laminates	3,351.54	3,091.28
Pre-Laminated Particle Boards	1.36	1.36
Medium Density Fibre board	2,126.65	1,005.77
Veneer	3,454.32	6,986.61
Total	13,133.58	14,773.79
Work-in-Progress at the end of the year		
Plywood and Block board	2,622.51	2,907.56
Laminates	994.08	1,343.55
Medium Density Fibre Board	148.70	325.47
Pre-Laminated Particle Boards	376.10	-
Total	4,141.39	4,576.58

Notes to Consolidated Financial Statements as at and for the year ended 31st March, 2020

29. Employee Benefits Expense

₹ in Lac

	2019-20	2018-19
Employee Benefits Expense		
Salaries, Wages, Bonus etc	33,106.97	31,986.12
Contribution to Provident, Gratuity and other Funds	2,277.04	2,099.15
Employees Welfare Expenses	464.07	475.53
Total	35,848.08	34,560.80

30. Finance Cost (at effective interest rate)

₹ in Lac

	2019-20	2018-19
Interest Expenses (including interest on Lease ₹245.54 lacs (₹ NIL lacs)	2,976.69	3,393.44
Exchange difference to the extent considered as an adjustment to borrowing costs	789.87	922.14
Other Borrowing cost	123.08	378.28
Total	3,889.64	4,693.86

31. Depreciation and Amortisation Expense

₹ in Lac

	2019-20	2018-19
Depreciation on Tangible Assets (including ROU assets) (Refer Note No.3)	7,605.47	5,924.30
Amortisation of Intangible Assets(Refer Note No.4)	25.60	23.28
Total	7,631.07	5,947.58

32. Other Expenses

₹ in Lac

	2019-20	2018-19
Stores & Spare parts consumed	3,022.84	3,273.91
Power and Fuel	8,862.05	8,947.76
Insurance	376.83	356.36
Rent	1,100.64	2,168.49
Rates & Taxes	389.79	227.00
Repairs & Maintenance		
-Property	274.63	267.34
-Plant and Equipment	1,219.47	1,231.52
-Others	779.12	947.57
Transport & Freight	12,187.14	12,778.44
Commission on Sales	1,105.79	960.94
Advertisement, Publicity and Sales Promotion	8,857.31	7,438.28
Communication Expenses	284.40	304.73
Directors' Sitting Fees and Commission	55.50	55.75
Auditors' Remuneration *	52.58	41.46
Corporate Social Responsibility Activities (Refer Note No.39)	444.92	443.39
Charity and Donations	147.90	560.96
Foreign Exchange Fluctuations (Net)	-	707.82
Loss on Plant Property and Equipment Sold /Discarded	7.09	367.46
Irrecoverable Debts, Advances written off	67.08	156.38
Provision for Doubtful Debts	27.24	38.34
Miscellaneous Expenses	7,465.08	6,951.01
Total	46,727.40	48,224.91

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2020

32. Other Expenses (contd.)

₹ in Lac

	2019-20	2018-19
* Payment to Auditors		
As Auditor		
Audit Fees	32.46	32.85
For Other Services (inclusive of fees for review of quarterly financial results of ₹9 lac)	19.70	8.45
Reimbursement of Expenses	0.42	0.16
Total	52.58	41.46

33. Gratuity and Other Post Employment Benefit Plans

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with an insurance company.

The Group also extends benefit of compensated absences to the employees, whereby they are eligible to carry forward their entitlement of earned leave for encashment upon retirement/separation. This is an unfunded plan.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the Post - retirement benefit plans.

I. Expenses Recognised in the Statement of Profit & Loss

₹ in Lac

	31 st March, 2020	31 st March, 2019
1. Current / Past Service Cost	424.47	410.95
2. Net Interest expense	33.77	39.01
Components of defined benefit cost recognised in P/L	458.24	449.96
3. Re-measurement - Due to Financial Assumptions	129.88	32.01
4. Re-measurement - Due to Experience Adjustments	(74.45)	98.98
5. Return on Plan Assets (Excluding Interest Income)	14.01	(8.15)
Components of defined benefit cost recognised in OCI	69.44	122.84
Total Expense	527.69	572.80

II. Net Asset/ (Liability) recognised in the Balance Sheet

₹ in Lac

	31 st March, 2020	31 st March, 2019
1. Present Value of Defined Benefit Obligation	4112.11	3580.87
2. Fair Value of Plan Assets	3386.30	2912.19
3. Net Asset / (Liability)	(725.81)	(668.66)

III. Change in Obligation during the Year

₹ in Lac

	31 st March, 2020	31 st March, 2019
1. Present Value of Defined Benefit Obligation at the beginning of the year	3580.87	3006.08
2. Current Service Cost/Plan amendments/Past cost	424.47	410.95
3. Interest Cost	267.05	224.09
4. Benefits Paid	(215.72)	(191.26)
5. Re-measurements - Due to Financial Assumptions	129.88	32.01
6. Re-measurements - Due to Experience Adjustments	(74.45)	98.98
7. Present Value of Defined Benefit Obligation at the end of the year	4112.11	3580.87

Notes to Consolidated Financial Statements as at and for the year ended 31st March, 2020

33. Gratuity and Other Post Employment Benefit Plans (contd.)

IV. Change in the Fair Value of Plan Assets during the year

₹ in Lac

	31 st March, 2020	31 st March, 2019
1. Plan assets at the beginning of the year	2912.19	2403.66
2. Interest Income	233.29	185.08
3. Contribution by employer	470.55	506.56
4. Actual Benefit Paid	(215.72)	(191.26)
5. Re-measurement - Return on Assets (Excluding Interest Income)	(14.01)	8.15
6. Closing Fair Value of Plan Assets	3386.30	2912.19

V. In 2020-21 the Group expects to contribute ₹453.37 Lacs (2018-19: ₹413.64 Lacs) to gratuity.

VI. The Major Categories of Plan Assets as a Percentage of the Fair Value of Total Plan Assets

	31 st March, 2020	31 st March, 2019
Investments with insurer	100%	100%

VII. Actuarial Assumptions

	31 st March, 2020	31 st March, 2019
1. Discount Rate	6.70%	7.70%
2. Expected rate of return on plan assets	6.70%	7.70%
3. Mortality rate	Indian Assured Lives Mortality (2006-08) (modified) Ult.	Indian Assured Lives Mortality (2006-08) (modified) Ult.
4. Salary increase	6%	6%
5. Withdrawal rates	1% - 8%	1%- 8%

VIII. The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

IX. Contribution to Provident and Other Funds includes ₹1,290.31 lacs (2018-19 - ₹1058.78 lacs) paid towards Defined Contribution Plans

X. A quantitative sensitivity analysis for significant assumption is as shown below:

Assumptions	31 st March, 2020		31 st March, 2019	
	Discount Rate		Discount Rate	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
	₹ in Lac	₹ in Lac	₹ in Lac	₹ in Lac
Impact on Gratuity	(325.64)	377.70	(278.63)	320.25

Assumptions	31 st March, 2020		31 st March, 2019	
	Future Salary Increases		Future Salary Increases	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
	₹ in Lac	₹ in Lac	₹ in Lac	₹ in Lac
Impact on Gratuity	372.45	(295.18)	328.47	(291.10)

Assumptions	31 st March, 2020		31 st March, 2019	
	Withdrawal Rates		Withdrawal Rates	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
	₹ in Lac	₹ in Lac	₹ in Lac	₹ in Lac
Impact on Gratuity	13.26	(15.61)	32.65	(37.21)

Sensitivities due to mortality are not material and hence impact of change is not calculated.

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

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2020

33. Gratuity and Other Post Employment Benefit Plans (contd.)

XI. Maturity Profile of Defined Benefit Obligations

₹ in Lac

	As on 31 st March, 2020	As on 31 st March, 2019
Year 1	432.36	421.39
Year 2	303.29	373.09
Year 3	366.02	256.10
Year 4	380.54	281.30
Year 5	379.67	284.42
Next 5 Years	3078.48	1763.98

34. Commitments and Contingencies

(i) Capital and Other Commitments

₹ in Lac

	As on 31 st March, 2020	As on 31 st March, 2019
Commitment for Acquisition of Property, Plant & Equipments (Net of Advance)	1,235.13	696.00
Letter of Credit issued by Banks	2,700.58	3,793.02

(ii) Contingent Liabilities

₹ in Lac

	As on 31 st March, 2020	As on 31 st March, 2019
Demands / Claims by various Government Authorities and Others not acknowledged as Debt:		
Excise Duty/Service Tax	1,055.20	1,081.59
Sales Tax / VAT	925.81	1,743.03
Income Tax	2,259.31	119.79
Others (Outstanding Amount at the year end)	835.42	693.75
Un-redeemed Bank Guarantees	805.35	710.50
Bills Discounted with Banks	97.28	-
Excise Duty Refund Claim *	1,181.04	-

* The Group has claimed refund of 50% of differential excise duty paid in cash, for one of its plywood unit in north-east India, on the basis of favourable decision by Hon'ble Guwahati High Court, which was passed relying on the decision by Hon'ble Supreme Court in the case of M/s V.V.F Limited & others versus the Union of India. However, the Hon'ble Supreme Court, vide its judgement dated 22nd April, 2020, has reversed its earlier decision in the case of M/s V.V.F Limited, mentioned herein, and allowed the subsequent and amended notifications issued by revenue authority which replaced the 100% excise duty refund benefit as envisaged in original notification no. 20/2007, with refund equivalent to specified percentage of excise duty payable based on value addition and held that the amended notifications was clarificatory in nature and is not hit by doctrine of promissory estoppel. The objective of the amended notifications was to prevent tax evasion by some of the unscrupulous assesseees by misusing the benefit granted vide the original notification and therefore doctrine of promissory estoppel cannot be invoked when the public interest warrants.

Being aggrieved by this judgement, the Group is in the process of preferring an appeal before the appropriate forum against the same, as the act of some unscrupulous assessee cannot be considered as basis to implement a judgement that has an adverse impact on the genuine manufacturers and the said act of the revenue authority cannot be said to be in public interest. Further, based on the legal advice obtained by the Company from External Counsel, as well as its own assessment, there is every likelihood of the Company's appeal being allowed and consequent reversal of the above judgement by the Hon'ble Supreme Court.

In view of the above, reversal of income which was previously recognized in the books of accounts, amounting to ₹1,181.04 lacs, is not required.

Note: Based on discussion with the Solicitors / Favourable Decisions in similar Cases / Legal opinion taken by the Group, the management believes that the outflow of resources is not probable and hence, no provision there against is considered necessary.

Notes to Consolidated Financial Statements as at and for the year ended 31st March, 2020

35. Based on the information/documents available with the Group, information as per the requirements of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

₹ in Lac

	2019-20	2018-19
Principal Amount due	458.03	154.46
Interest due on above	-	-
Amount of interest paid in terms of Sec 16 of the Micro, Small and Medium Enterprise Development Act 2006	-	-
Amount of interest due and payable for the period of delay Amount of interest accrued and remaining unpaid as at year end	-	-
Amount of further interest remaining due and payable in the succeeding year	-	-

36. Leases

Effective 1st April, 2019 the Group adopted Ind AS 116 "Lease" using modified retrospective approach in accordance with the modified retrospective transition method, the comparative have not been retrospectively adjusted. The adoption of Ind AS 116 has the following impact.

(A) The Company recognized ROU assets for the following asset categories

₹ in Lac

ROU Asset Category	As at 1 st April, 2019
Land	3,440.68
Total	3,440.68

(B) The change in accounting policy affected the following items in Balance Sheet-

₹ in Lac

	As at 1 st April, 2019
Prepaid rent decreased by	381.56
Right of Use asset increased by	3,440.68
Deferred Tax Asset increased by	-
Lease liability increased by	3,059.12

(C) The operating cash flow for the Year Ended 31st March, 2020 has increased by ₹603.72 lacs and the financing cash flows have decreased by ₹603.72 lacs as repayment of lease liabilities and related interest has been classified as cash flows from financing activities.

(D) Practical Expedients applied on initial application date.

- i. The Group has not reassessed whether a contract is or contains a lease at the date of initial application.
- ii. The Group has utilised the exemptions provided for short-term leases (less than a year) and leases for low value assets.
- iii. The Group has utilised hindsight in determining the lease terms where contracts contained options to extend or terminate the lease
- iv. Initial direct costs are excluded from the measurement of right-of-use assets at the date of initial application.
- v. The Group has used a single discount rate to a portfolio of leases with reasonable similar characteristics based on the remaining lease term as at the date of initial application.
- vi. The Group has relied on its previous assessment on whether leases are onerous.
- vii. The weighted average of the Group's incremental borrowing rate applied to lease liabilities at the date of initial applications was 10 %
- viii. The Group has carried forward the amount of the Finance Lease Assets (reclassified as ROU asset) and Lease Liability recognised under Ind AS 17 immediately before the date of initial application

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2020

36. Leases (contd.)

- (E) A reconciliation of the operating lease commitments at 31st March, 2019, disclosed in the Company's 2018-19 financial statements, to the lease liabilities recognised in the statement of financial position is provided below:

Particulars	₹ in Lac
Operating lease commitments disclosed as at 31st March 2019 -	
Gross lease liabilities recognised as at 1 st April, 2019	5,557.44
Effect of discounting	2,498.32
Lease liabilities recognised as at 1 st April, 2019	3,059.12

37. Capital Management

The Group's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various shareholders but keep associated cost under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Apart from internal accrual, sourcing of capital is done through judicious combination of equity and borrowing, both the short term and long term. Net debt (total borrowing less current investment and cash & cash equivalent) to equity ratio is used to monitor capital. No changes were made to the objective, policies or process for managing capital during the year ended 31st March, 2020 and 31st March, 2019.

	As at 31 st March, 2020	As at 31 st March, 2019
Debt Equity Ratio	0.22	0.52

38. Derivative Instruments and Unhedged Foreign Currency Exposure

- a) The particulars of hedged foreign currency exposures as on the balance sheet date are as follows: ₹ in Lac

Nature of Item	As on 31 st March, 2020	As on 31 st March, 2019
Foreign Currency Term Loans	7,539.00	-

- b) The particulars of unhedged foreign currency exposures as on the balance sheet date are as follows: ₹ in Lac

Nature of Item	As on 31 st March, 2020	As on 31 st March, 2019
Foreign Currency Term Loans	328.01	10,281.04
Buyer's Credit	3,242.39	4,146.63
Trade Receivables	1,695.93	1,972.65
Trade Payables (Net)	3,334.18	3,550.94
Trade Advances	1,718.21	4,976.69
Bank Balance	-	0.58

39. The Company has a Corporate Social Responsibilities ("CSR") committee as per the provisions of Section 135 of the Companies Act, 2013 read with Rules made thereunder. The main areas for CSR activities are promoting education, healthcare, animal welfare and projects ensuring environment sustainability. Disclosures of Corporate Social Responsibility expenditure in line with the requirement of Guidance Note on "Accounting for Expenditure on Corporate Social Responsibility Activities" is as under:- ₹ in Lac

	2019-20	2018-19
Amount of CSR expenditure to be incurred during the year	453.99	440.19
CSR expenditure (Revenue Nature) incurred during the year	444.92	443.39
Unspent CSR amount	15.41	-

Notes to Consolidated Financial Statements as at and for the year ended 31st March, 2020

40. The Company has paid anti-dumping duty till date amounting to ₹176.66 lacs (Till 31st March 2019: ₹176.66 lacs) on import of phenol which in opinion of the management and based on a legal opinion, is in excess of actual margin of dumping of said materials and accordingly refundable in terms of Section 9AA of Custom Tariff Act, 1975 and hence the same is considered as receivable and included under the head "Other Assets" in Note no 10.

41. Related Party Disclosure:

a) Name of the Related Parties and Related Party Relationship:

Key Management Personnel and Directors	Sri Sajjan Bhajanka (Chairman & Managing Director)
	Sri Sanjay Agarwal (CEO & Managing Director)
	Sri Prem Kumar Bhajanka (Managing Director)
	Sri Vishnu Khemani (Managing Director)
	Sri Hari Prasad Agarwal (Vice Chairman & Executive Director)
	Sri Ajay Baldawa (Executive Director)
	Sri Keshav Bhajanka (Executive Director)
	Smt. Nikita Bansal (Executive Director)
	Sri Mangi Lal Jain (Independent Director) – Till 31.03.2020
	Sri Santanu Ray (Independent Director)
	Sri Asit Pal (Independent Director) – Till 31.03.2019
	Smt. Mamta Binani (Independent Director)
	Sri J. P. Dua (Independent Director)
	Sri Vijay Chhibber (Independent Director)
	Sri Sunil Mitra (Independent Director)
	Sri Debanjan Mandal (Independent Director)
Sri Probir Roy (Independent Director) – w.e.f 01.04.2019	
Sri Arun Kumar Julasaria (Chief Financial Officer)	
Sri Sundeep Jhunjhunwala (Company Secretary)	
Relatives of Key Management Personnel	Smt. Santosh Bhajanka (Wife of Sri Sajjan Bhajanka)
	Smt. Divya Agarwal (Wife of Sri Sanjay Agarwal)
	Smt. Yash Bala Bhajanka (Wife of Sri Prem Kumar Bhajanka)
	Smt. Sudha Khemani (Wife of Sri Vishnu Khemani)
	Smt. Sumitra Devi Agarwal (Wife of Sri Hari Prasad Agarwal)
	Smt. Shraddha Agarwal (Daughter of Sri Sajjan Bhajanka)
	Smt. Payal Agrawal (Daughter of Sri Sajjan Bhajanka)
	Smt. Sonu Kalaria (Daughter of Sri Sajjan Bhajanka)
	Sri. Rajesh Kumar Agarwal (Son of Sri Hari Prasad Agarwal)
	Smt. Bhawna Agarwal (Daughter-in-law of Sri Hari Prasad Agarwal)
	Smt. Nancy Chowdhury (Daughter of Sri Prem Kumar Bhajanka)
	Sri Abhishek Rathi (Son-in-law of Sri Ajay Baldawa)
	Sri Surender Kumar Gupta (Brother of Sri Prem Kumar Bhajanka)
	Smt. Yashoda Baldawa (Mother of Sri Ajay Baldawa)
Smt. Kriti Rathi (Daughter of Sri Ajay Baldawa)	
Enterprises Owned/ Influenced by Key Management Person or their relatives.	Brijdham Merchants Pvt. Ltd.
	Star Cement Ltd.
	Sri Ram Merchants Pvt. Ltd.
	Sri Ram Vanijya Pvt. Ltd.
	Sumangal Business Pvt. Ltd.
	Sumangal International Pvt. Ltd.
	Auroville Investments Pvt. Ltd
	Aegis Business Ltd.
	Pacific Plywoods Pvt. Ltd.
	Century Led Ltd.
	Landmark Veneers Pvt. Ltd.
	Star Cement Meghalaya Ltd.
Amul Boards Pvt. Ltd.	

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2020

41 (b) Aggregated Related Party disclosure as at and for the year ended 31st March, 2020

₹ in Lac

Sl No.	Type of Transactions	Key Management Personnel and Directors		Relatives of Key Management Personnel		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Total	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
1	Purchase of Raw Materials / Stores								
	Star Cement Ltd	-	-	-	-	15.93	33.80	15.93	33.80
	Landmark Veneers Pvt Ltd	-	-	-	-	135.77	762.27	135.77	762.27
	Amul Boards Pvt Ltd	-	-	-	-	0.71	-	0.71	-
	Century Led Ltd	-	-	-	-	7.68	37.80	7.68	37.80
2	Sale of Products								
	Aegis Business Ltd.	-	-	-	-	-	3.16	-	3.16
	Amul Boards Pvt Ltd	-	-	-	-	1.83	-	1.83	-
3	Services Availed/(Provided)								
	Sri Yash Bala Bhajanka	-	-	14.63	15.27	-	-	14.63	15.27
	Century Led Ltd	-	-	-	-	(9.75)	(10.94)	(9.75)	(10.94)
	Sri Ajay Baldawa	1.93	0.64	-	-	-	-	1.93	0.64
	Smt. Yashoda Baldawa	-	-	0.63	0.42	-	-	0.63	0.42
	Star Cement Meghalaya Ltd.	-	-	-	-	(3.93)	(8.51)	(3.93)	(8.51)
	Pacific Plywoods Pvt Ltd	-	-	-	-	5.60	5.60	5.60	5.60
	Brijdham Merchants Pvt. Ltd	-	-	-	-	-	0.70	-	0.70
	Star Cement Ltd	-	-	-	-	(116.24)	-	(116.24)	-
	Aegis Business Ltd.	-	-	-	-	(1.20)	1,511.93	(1.20)	1,511.93
4	Sale of Assets								
	Star Cement Ltd	-	-	-	-	2,173.38	-	2,173.38	-
	Amul Boards Pvt Ltd	-	-	-	-	9.44	-	9.44	-
5	Loan taken								
	Brijdham Merchants Pvt. Ltd	-	-	-	-	1,884.00	956.00	1,884.00	956.00
	Sri Ram Merchants Pvt. Ltd	-	-	-	-	2,229.00	1,221.00	2,229.00	1,221.00
	Sri Ram Vanijya Pvt. Ltd	-	-	-	-	2,004.00	553.50	2,004.00	553.50
	Sumangal Business Pvt. Ltd	-	-	-	-	3,858.00	932.00	3,858.00	932.00
	Sumangal International Pvt. Ltd	-	-	-	-	2,579.00	970.00	2,579.00	970.00
	Aegis Business Ltd.	-	-	-	-	-	1,265.00	-	1,265.00
	Sri Sajjan Bhajanka	8,018.50	6,619.50	-	-	-	-	8,018.50	6,619.50
	Sri Sanjay Agarwal	11,601.00	9,726.50	-	-	-	-	11,601.00	9,726.50
	Sri Keshav Bhajanka	48.00	45.00	-	-	-	-	48.00	45.00
6	Loan repaid								
	Brijdham Merchants Pvt. Ltd	-	-	-	-	1,120.00	956.00	1,120.00	956.00
	Sri Ram Merchants Pvt. Ltd	-	-	-	-	2,047.50	1,221.00	2,047.50	1,221.00
	Sri Ram Vanijya Pvt. Ltd	-	-	-	-	1,782.00	553.50	1,782.00	553.50
	Sumangal Business Pvt. Ltd	-	-	-	-	1,929.50	932.00	1,929.50	932.00
	Sumangal International Pvt. Ltd	-	-	-	-	1,535.00	970.00	1,535.00	970.00
	Aegis Business Ltd.	-	-	-	-	-	1,265.00	-	1,265.00
	Sri Sajjan Bhajanka	6,981.00	6,619.50	-	-	-	-	6,981.00	6,619.50
	Sri Sanjay Agarwal	7,532.00	9,726.50	-	-	-	-	7,532.00	9,726.50
	Sri Keshav Bhajanka	-	45.00	-	-	-	-	-	45.00
7	Reimbursement Paid/(Received)								
	Star Cement Ltd	-	-	-	-	-	(0.29)	-	(0.29)
	Sundeeep Jhunjhunwala	5.00	5.00	-	-	-	-	5.00	5.00
8	Interest Paid								
	Brijdham Merchants Pvt. Ltd	-	-	-	-	20.70	18.97	20.70	18.97
	Sri Ram Merchants Pvt. Ltd	-	-	-	-	12.65	18.88	12.65	18.88
	Sri Ram Vanijya Pvt. Ltd	-	-	-	-	17.47	23.07	17.47	23.07
	Sumangal International Pvt. Ltd	-	-	-	-	49.06	12.57	49.06	12.57
	Sumangal Business Pvt. Ltd	-	-	-	-	37.95	35.83	37.95	35.83
	Aegis Business Ltd.	-	-	-	-	-	63.45	-	63.45
	Sri Sajjan Bhajanka	100.11	283.90	-	-	-	-	100.11	283.90
	Sri Sanjay Agarwal	117.37	308.21	-	-	-	-	117.37	308.21
	Sri Keshav Bhajanka	2.39	3.30	-	-	-	-	2.39	3.30

Notes to Consolidated Financial Statements as at and for the year ended 31st March, 2020

41. Related Party Disclosure: (contd.)

₹ in Lac

Sl No.	Type of Transactions	Key Management Personnel and Directors		Relatives of Key Management Personnel		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Total	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
9	Director's Remuneration Paid #								
	Sri Sajjan Bhajanka	120.00	120.00	-	-	-	-	120.00	120.00
	Sri Sanjay Agarwal	120.00	120.00	-	-	-	-	120.00	120.00
	Sri Prem Kumar Bhajanka	120.00	120.00	-	-	-	-	120.00	120.00
	Sri Vishnu Khemani	120.00	120.00	-	-	-	-	120.00	120.00
	Sri Ajay Baldawa	240.00	240.00	-	-	-	-	240.00	240.00
	Sri Hari Prasad Agarwal	60.00	60.00	-	-	-	-	60.00	60.00
	Sri Keshav Bhajanka	50.00	50.00	-	-	-	-	50.00	50.00
	Smt Nikita Bansal	24.00	24.00	-	-	-	-	24.00	24.00
10	Director's Sitting Fees								
	Sri Mangi Lal Jain	4.50	4.25	-	-	-	-	4.50	4.25
	Sri Santanu Ray	4.25	4.00	-	-	-	-	4.25	4.00
	Sri Asit Pal	-	2.50	-	-	-	-	-	2.50
	Smt. Mamta Binani	4.75	4.50	-	-	-	-	4.75	4.50
	Sri J. P. Dua	2.50	2.50	-	-	-	-	2.50	2.50
	Sri Vijay Chhibber	2.50	2.50	-	-	-	-	2.50	2.50
	Sri Debanjan Mandal	1.00	1.00	-	-	-	-	1.00	1.00
	Sri Sunil Mitra	2.00	2.50	-	-	-	-	2.00	2.50
	Sri Probir Roy	2.00	-	-	-	-	-	2.00	-
11	Director's Commission								
	Sri Mangi Lal Jain	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Santanu Ray	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Asit Pal	-	4.00	-	-	-	-	-	4.00
	Smt. Mamta Binani	4.00	4.00	-	-	-	-	4.00	4.00
	Sri J. P. Dua	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Vijay Chhibber	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Debanjan Mandal	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Sunil Mitra	4.00	4.00	-	-	-	-	4.00	4.00
	Sri Probir Roy	4.00	-	-	-	-	-	4.00	-
12	Dividend Paid								
	Sri Sajjan Bhajanka	518.68	252.34	-	-	-	-	518.68	252.34
	Sri Sanjay Agarwal	497.61	243.51	-	-	-	-	497.61	243.51
	Smt Divya Agarwal	-	-	335.00	167.50	-	-	335.00	167.50
	Sri Vishnu Khemani	254.94	127.47	-	-	-	-	254.94	127.47
	Smt.Santosh Bhajanka	-	-	308.99	154.50	-	-	308.99	154.50
	Others	154.62	77.15	385.00	192.19	786.58	393.29	1,326.20	662.64
13	Salary Paid								
	Sri Arun Kumar Julasaria #	145.67	147.88	-	-	-	-	145.67	147.88
	Sri Sundeep Jhunjhunwala #	37.62	33.82	-	-	-	-	37.62	33.82
	Others	-	-	120.13	111.63	-	-	120.13	111.63
14	Advance Given								
	Aegis Business Ltd.	-	-	-	-	300.00	-	300.00	-
	Sri Arun Kumar Julasaria	-	6.00	-	-	-	-	-	6.00
	Sri Abhishek Rathi	-	-	8.10	-	-	-	8.10	-
	Sri Sundeep Jhunjhunwala	-	7.00	-	-	-	-	-	7.00
15	Advance Received Back/(Refunded)								
	Sri Abhishek Rathi	-	-	0.68	4.85	-	-	0.68	4.85
	Sri Sundeep Jhunjhunwala	7.00	-	-	-	-	-	7.00	-
	Sri Arun Kumar Julasaria	-	6.00	-	-	-	-	-	6.00
16	Balance Outstanding on account of								
A	Receivable/(Payable)								
	Century Led Ltd	-	-	-	-	0.68	(0.80)	0.68	(0.80)
	Aegis Business Ltd.	-	-	-	-	300.12	73.92	300.12	73.92
	Brijdham Merchants Pvt Ltd	-	-	-	-	0.70	0.70	0.70	0.70
	Sri Abhishek Rathi	-	-	7.43	-	-	-	7.43	-

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2020

41. Related Party Disclosure: (contd.)

₹ in Lac

Sl No.	Type of Transactions	Key Management Personnel and Directors		Relatives of Key Management Personnel		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Total	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
	Star Cement Ltd	-	-	-	-	23.06	8.51	23.06	8.51
	Amul Boards Pvt. Ltd	-	-	-	-	5.00	-	5.00	-
	Star Cement Meghalaya Ltd.	-	-	-	-	0.33	-	0.33	-
	Pacific Plywoods Pvt. Ltd.	-	-	-	-	(5.01)	(5.04)	(5.01)	(5.04)
	Sri Sundeeep Jhunjunwala	-	7.00	-	-	-	-	-	7.00
B	Loans Receivable/(Payable) (Incl. interest)								
	Brijdham Merchants Pvt. Ltd.	-	-	-	-	(782.64)	-	(782.64)	-
	Sri Ram Merchants Pvt. Ltd.	-	-	-	-	(192.88)	-	(192.88)	-
	Sri Ram Vanijya Pvt. Ltd.	-	-	-	-	(237.72)	-	(237.72)	-
	Sumangal Business Pvt. Ltd.	-	-	-	-	(1,972.65)	-	(1,972.65)	-
	Sumangal International Pvt. Ltd.	-	-	-	-	(1,078.15)	-	(1,078.15)	-
	Sri Keshav Bhajanka	(50.15)	-	-	-	-	-	(50.15)	-
	Sri Sajjan Bhajanka	(1,127.60)	-	-	-	-	-	(1,127.60)	-
	Sri Sanjay Agarwal	(4,174.63)	-	-	-	-	-	(4,174.63)	-
C	Guarantee Obtained								
	Sri Sajjan Bhajanka	-	78,350.00	-	-	-	-	-	78,350.00
	Sri Sanjay Agarwal	-	78,350.00	-	-	-	-	-	78,350.00
	Sri Hari Prasad Agarwal	-	78,350.00	-	-	-	-	-	78,350.00
D	Director's Remuneration Payable								
	Sri Sajjan Bhajanka	-	3.82	-	-	-	-	-	3.82
	Sri Sanjay Agarwal	-	5.26	-	-	-	-	-	5.26
	Sri Hari Prasad Agarwal	-	3.51	-	-	-	-	-	3.51
	Sri Ajay Baldawa	-	55.55	-	-	-	-	-	55.55
	Sri Prem Kumar Bhajanka	-	6.41	-	-	-	-	-	6.41
	Sri Keshav Bhajanka	-	0.41	-	-	-	-	-	0.41
	Smt. Nikita Bansal	-	1.40	-	-	-	-	-	1.40
E	Salary Payable								
	Sri Arun Kumar Julasaria	1.75	5.80	-	-	-	-	1.75	5.80
	Sri Sundeeep Jhunjunwala	-	1.96	-	-	-	-	-	1.96
	Others	-	-	0.68	7.08	-	-	0.68	7.08

Remuneration of Key Management Personnel represents short term employee benefits. As the liabilities for defined benefit plans and compensated absences are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.

41 (c) Terms and conditions of transactions with related parties

1. The sales to/ purchases from/ services availed from/ and services provided to related parties are made on terms equivalent to those that prevail in arm's length transactions.
2. Outstanding balances at the year-end from related parties are unsecured, interest free and will be settled in cash.
3. Employee related recoverable balances are unsecured, interest free and will be settled in cash.
4. The Group has taken loan from Enterprises owned/influenced by Key Management Personnel (KMP) or their relatives as well as from KMP's.

The loan was unsecured and was repayable on demand. The loan carried an interest @5.00% p.a.

Notes to Consolidated Financial Statements as at and for the year ended 31st March, 2020

42. Fair values measurements

Financial instruments by category:

₹ in Lac

	31 st March, 2020		31 st March, 2019	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Non-current financial assets				
(i) Investments	21.77	-	33.77	-
(ii) Loans and advances	-	1,521.94	-	1,392.17
(iii) Other non-current financial assets	-	-	-	-
Current financial assets				
(i) Trade receivable	-	25,684.13	-	29,568.21
(ii) Cash and cash equivalents	-	2,138.30	-	2,320.17
(iii) Bank balances other than above	-	337.17	-	303.58
(iv) Loans and advances	-	559.41	-	551.55
(v) Other current financial assets	-	2,356.35	-	1,734.17
Total Financial assets	21.77	32,597.30	33.77	35,869.85
Non-current financial liabilities				
(i) Borrowings	-	5,293.25	-	13,226.57
(ii) Lease liabilities	-	2,127.43	-	-
(iii) Other non-current financial liabilities	-	-	-	-
Current financial liabilities				
(i) Borrowings	-	18,323.08	-	34,933.87
(ii) Trade payables	-	15,154.87	-	15,949.88
(iii) Lease liabilities	-	-	-	-
(iv) Other current financial liabilities	-	9,066.31	-	11,695.71
Total Financial liabilities	-	50,538.44	-	75,806.03

Notes:-

- The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.
- Finance income and finance cost by instrument category wise classification :-
 - Interest income of ₹119.03 (P.Y. ₹379.06) on financial instrument at amortised cost.
 - Interest expense of ₹2,872.83 (P.Y. ₹3,303.73) on borrowing at amortised cost.

43. Financial Risk Management-Objectives and Policies

The Group's financial liabilities comprise long term borrowings, short term borrowings, capital creditors, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's financial assets include trade and other receivables, cash and cash equivalents and deposits.

The Group is exposed to market risk and credit risk. The Group has a Risk management policy and its management is supported by a Risk management committee that advises on risks and the appropriate risk governance framework for the Group. The audit committee provides assurance to the Group's management that the Group's risk activities are governed by appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

(i) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include FVTPL investments, trade payables, trade receivables, etc.

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2020

43. Financial Risk Management-Objectives and Policies (contd.)

a. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities. Such foreign currency exposures are partly hedged by the Group. The Group has a treasury department which monitors the foreign exchange fluctuations on the continuous basis and advises the management of any material adverse effect on the Group.

Foreign Currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in foreign currency exchange rates, with all other variables held constant. The impact on the Group profit before tax is due to changes in the fair value of assets and liabilities.

Change in Foreign Currency Rates	Effect on Profit before Tax (₹ in Lac)	
	As on 31 st March, 2020	As on 31 st March, 2019
5%	(153.23)	(547.86)
-5%	153.23	547.86

b. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest rate sensitivity

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

	Increase/ Decrease in basis points	Effect on Profit before Tax (₹ in Lac)
31 st March, 2020	+50	(168.97)
	-50	168.97
31 st March, 2019	+50	(265.53)
	-50	265.53

(ii) Credit Risks

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

The Group implements a credit risk management policy under which the Group only transacts business with counterparties that have a certain level of credit worthiness based on internal assessment of the parties, financial condition, historical experience, and other factors. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Group has established a credit policy under which each new customer is analyzed individually for creditworthiness.

Trade Receivables

An impairment analysis is performed at each reporting date on an individual basis for all the customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on credit losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed in Note 12 as the Group does not hold collateral as security. The Group has evaluated the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries.

Credit risk also arises from transactions with financial institutions, and such transactions include transactions of cash and cash equivalents, various deposits, and financial instruments such as derivative contracts. The Group manages its exposure to this credit risk by only entering into transactions with banks that have high ratings. The Group's treasury department authorizes, manages, and oversees new transactions with parties with whom the Group has no previous relationship.

Furthermore, the Group limits its exposure to credit risk of financial guarantee contracts by strictly evaluating their necessity based on internal decision making processes, such as the approval of the board of directors.

Notes to Consolidated Financial Statements as at and for the year ended 31st March, 2020

43. Financial Risk Management-Objectives and Policies (contd.)

Credit risk exposure

The carrying amount of financial assets represents the Group's maximum exposure to credit risk. The maximum exposure to credit risk as of 31st March, 2020 and 31st March, 2019 are as follows: ₹ in Lac

	31 st March, 2020	31 st March, 2019
Cash and cash equivalents	2,138.30	2,320.17
Other Bank balances	337.17	303.58
Loans and other receivables	559.41	551.55
Trade receivable (net)	25,684.13	29,568.21
	28,719.01	32,743.51

Impairment losses on financial assets

Refer the table below for reconciliation of loss allowance in respect of Trade Receivables: ₹ in Lac

Trade Receivables (measured under life time excepted credit loss model)	31 st March, 2020	31 st March, 2019
Loss Allowance at the beginning of the year	895.76	887.57
Add: Loss Allowance provided during the year	-	8.19
Less: Write Off	-	-
Less: Loss Allowance reversed during the year	-	-
Loss Allowance at the end of the year	895.76	895.76

The ageing of trade accounts and notes receivable as of 31st March 2020 and 31st March 2019 are as follows: ₹ in Lac

Particulars	31 st March, 2020	31 st March, 2019
Not due	18,310.34	22,938.65
Overdue less than 6 months	6,813.73	5,949.48
more than 6 months - 12 months	659.83	405.95
more than 12 months - 24 months	188.30	306.50
over 24 months	607.69	863.39
Gross Amount	26,579.89	30,463.97
Less: Expected Credit Loss	895.76	895.76
Sundry Debtors Balance	25,684.13	29,568.21

No significant changes in estimation techniques or assumptions were made during the reporting period.

(iii) Liquidity Risk

The Group's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Group relies on a mix of borrowings and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium/ long term expansion needs. The Group monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs. Besides, it generally has certain undrawn credit facilities which can be accessed as and when required. Such credit facilities are reviewed at regular intervals. Thus no liquidity risk is perceived at present.

The table below summarises the maturity profile of the Group financial liabilities based on contractual undiscounted payments.

Availability of Liquidity is as follows

The Group's undrawn borrowing facilities at the end of the reporting period is: ₹ in Lac

Particulars	31 st March, 2020	31 st March, 2019
Cash and Cash Equivalents	2,138.30	2,320.17
Availability under committed credit facilities	33,128.35	16,280.01

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2020

43. Financial Risk Management-Objectives and Policies (contd.)

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

Particulars						₹ in Lac
	Less than 1 Year	1-2 Years	2-3 Years	3-5 Years	> 5 years	Total
Year ended 31st March 2020						
Borrowings	18,323.08	2,859.38	2,433.86	-	-	23,616.32
Other financial liabilities	9,066.31	-	-	-	-	9,066.31
Trade payables	15,154.87	-	-	-	-	15,154.87
	42,544.26	2,859.38	2,433.86	-	-	47,837.50
Year ended 31st March 2019						
Borrowings	34,933.87	4,547.03	3,930.28	4,749.26	-	48,160.44
Other financial liabilities	11,695.71	-	-	-	-	11,695.71
Trade payables	15,949.88	-	-	-	-	15,949.88
	62,579.46	4,547.03	3,930.28	4,749.26	-	75,806.03

(iv) Other Risk-Impact of the COVID 19 pandemic

The spread of COVID-19 has severely impacted businesses around the globe. In many countries, including India, there has been severe disruption to regular business operations due to lockdowns, disruptions in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures. Group's plants and offices were under nationwide lockdown since 24th March, 2020 and Operations are being resumed in a phased manner taking into account directives from the Government. As a result of lockdown the volumes for the month of March 2020 have been impacted and consequently, the performance for the month of March 2020 has also been partially impacted. Operations are being resumed in a phased manner taking into account directives from the Government and current lower demand. Management is expecting that demand for products will improve on stabilization of COVID-19, post removal of lock down. The Group has made detailed assessment of its liquidity position for a period of at least one year from the balance sheet date, of the recoverability and carrying values of its assets comprising property, plant and equipment, Intangible assets, Trade Receivables, Inventory, investments, other current and non-current assets and ability to pay its liabilities as they become due and effectiveness of internal financial controls at the balance sheet date, and has concluded that there are no material impact or adjustments required in the standalone financial statements.

Management believes that it has taken into account all the possible impact of known events till the date of approval of its financial statements arising from COVID-19 pandemic in the preparation of the standalone financial statements. The impact on our business will depend on future developments that cannot be reliably predicted. It is uncertain how long these conditions will last. The impact of global health pandemic might be different from that estimated as at the date of approval of these consolidated financial statements and the group will closely monitor any material changes to future economic conditions. Management expects no significant impact on the continuity of operations of the business on a long term basis.

44A. The contribution of the subsidiaries acquired during the year is as under:

₹ in Lac

Name of the Subsidiary	Revenue (post acquisition)	Net Profit/ (Loss) (post acquisition)	Net Assets
Century Panels Ltd	NIL	NIL	5.63

44B. The Company's subsidiary Auro Sundaram Ply & Door Pvt. Ltd. has acquired a subsidiary during the year with details as under:

₹ in Lac

Name of the Step-down Subsidiary	Revenue (post acquisition)	Net Profit/ (Loss) (post acquisition)	Net Assets
Asis Plywood Limited	1.34	(138.22)	(200.59)

Notes to Consolidated Financial Statements as at and for the year ended 31st March, 2020

45. The Company's Segment Information as at and for the year ended 31st March 2020 are as below:

SI		Plywood	Laminate	MDF	PPB	CFS Services	Others	Total
a	Revenue(Gross)							
	External Sales	1,26,858.83	46,333.50	35,051.53	9,910.73	8,649.12	4,899.13	2,31,702.84
		(1,29,420.15)	(43,899.99)	(29,535.80)	(9,747.16)	(10,299.45)	(5,136.81)	(2,28,039.36)
	Inter-segment Sales	-	-	-	-	48.04	285.55	333.59
		-	-	-	-	(68.20)	(252.28)	(320.48)
	Total Revenue (Gross)	1,26,858.83	46,333.50	35,051.53	9,910.73	8,697.16	5,184.68	2,32,036.43
		(1,29,420.15)	(43,899.99)	(29,535.80)	(9,747.16)	(10,367.65)	(5,389.09)	(2,28,359.84)
b	Result							
	Segment Results	7,757.51	5,613.33	6,848.98	1,935.93	1,514.47	165.06	23,835.28
		(17,583.66)	(3,374.08)	(2,000.46)	(1,771.05)	(2,599.90)	(292.46)	(27,621.61)
	Unallocated Income/Expenses(-) (Net of unallocated expenses/income)							(2,223.80)
								(-2,694.53)
	Operating Profit							21,611.48
								(24,927.08)
	Finance Cost							3,889.64
								(4,693.86)
	Taxation Expense							5,193.30
								(5,346.08)
	Net Profit (before non controlling interest)							12,528.54
								(14,887.14)
	Other Information							
a	Total Assets							
	Segment Assets	73,214.16	24,211.19	36,376.20	7,240.83	7,218.21	2,174.48	1,50,435.07
		(84,485.70)	(27,859.20)	(37,217.22)	(7,032.99)	(5,487.85)	(2,113.40)	(1,64,196.36)
	Unallocated Corporate/Other Assets							15,567.51
								(16,987.93)
								1,66,002.58
								(1,81,184.29)
b	Total Liabilities							
	Segment Liabilities	15,792.27	5,174.75	3,265.65	626.38	3,564.60	877.79	29,301.44
		(16,187.69)	(5,323.97)	(3,391.47)	(546.05)	(964.87)	(1,136.67)	(27,550.72)
	Unallocated Corporate/Other Liabilities							27,814.38
								(53,609.77)
								57,115.82
								(81,160.49)
c	Capital Expenditure *	3,125.18	833.90	554.10	166.69	127.26	6.47	4,813.60
		(4,549.92)	(1,510.67)	(1,490.13)	(453.26)	(1,212.33)	(3.84)	(9,220.15)
	Unallocated Capital Expenditure							-
								(3,696.08)
d	Depreciation/Amortisation	2,079.31	1,004.22	1,953.40	504.97	1,408.64	10.45	6,960.99
		(1,801.65)	(723.27)	(1,863.97)	(456.84)	(741.90)	(11.11)	(5,598.74)
	Unallocated Depreciation							670.08
								(348.84)
e	Geographical Segment							
	i. Revenue (Gross)							
	India							2,17,955.09
								(2,16,828.37)
	Overseas							13,747.75
								(11,210.99)
	ii. Carrying amount of Segment Assets							
	India							1,39,774.27
								(1,50,640.39)
	Overseas							10,660.80
								(13,555.97)

Note:- Previous years figures are in bracket

Notes to Consolidated Financial Statements

as at and for the year ended 31st March, 2020

45. The Company's Segment Information as at and for the year ended 31st March, 2019 (contd.)

Notes:

(a) Business Segments: The reportable segments have been identified on the basis of the products of the Group. Operating Segment disclosed are consistent with the information provided to and reviewed by the Chief Operating Decision Maker (CODM). Accordingly, the Company has identified following business segments:

Plywood	-	Plywood, Block-Board, Veneer & Timber
Laminate	-	Decorative Laminates
MDF	-	Plain & Pre-laminated Medium Density Fibre Boards
Plain Particle Board	-	Plain & Pre-laminated Particle Board
CFS Services	-	Container Freight Stations services
Others	-	Mainly Trading of Chemicals and New Age Panel products

(b) The company recognised revenue at point in time.

46. The Subsidiary Companies considered in the Financial Statements are as follows:

Name	Country of Incorporation	% Voting Power as on 31 st March 2020	% Voting Power as on 31 st March 2019
Auro Sundram Ply & Door Pvt. Ltd.	India	51	51
Century MDF Ltd.	India	100	100
Ara Suppliers Pvt. Ltd.	India	80	80
Arham Sales Pvt. Ltd.	India	80	80
Adonis Vyaper Pvt. Ltd.	India	80	80
Apnapan Vinnyog Pvt. Ltd.	India	80	80
Century Infotech Ltd.	India	60.06	60.06
Century Panels Ltd.*	India	100	NIL
Asis Plywood Ltd.**	India	100	NIL
Centuryply Myanmar Pvt. Ltd.	Myanmar	100	100
Century Ply (Singapore) Pte Ltd.	Singapore	90.60	83.46
Century Gabon SUARL	Gabon	100	100
Century Huesoulin Plywood Lao Co. Ltd.	Laos	51	51
Century Ply Laos Co.Ltd.	Laos	90	90

Century Panels Ltd.* - w.e.f. 19.02.2020

Asis Plywood Ltd.** - w.e.f. 28.01.2020

47. Earning per Share (EPS)

In terms of Ind AS- 33 on "Earning Per Share" the calculation of EPS is given below: -

	2019-20	2018-19
Profit as per the Statement of Profit & Loss (₹ In Lacs)	12,528.54	14,887.14
Less: Non-controlling interest share in profit & loss	(2,529.61)	42.13
Profit attributable to owners of the Company (₹ In Lacs)	15,058.15	14,845.01
Weighted average number of Equity Shares outstanding during the year	22,21,72,990	22,21,72,990
Nominal value of equity shares (₹)	1	1
Basic and Diluted earnings per share (EPS) (₹)	6.78	6.68

Notes to Consolidated Financial Statements as at and for the year ended 31st March, 2020

48. Additional Information pursuant to Schedule III of the Companies Act, 2013.

Name of the company	Net Assets (Total Assets minus Total Liabilities)		Share in Profit & Loss		OCI		TCI	
	2019-20		2019-20		2019-20		2019-20	
	As % of consolidated Net assets	Net Assets	As % of consolidated Profit or Loss	Profit/ (Loss)	As % of consolidated OCI	OCI	As % of consolidated TCI	TCI
Parent Company*								
Century Plyboards (India) Limited	99.07%	96584.49	137.29%	20379.98	-1.88%	(34.52)	120.46%	20345.46
Indian Subsidiaries								
Direct Subsidiaries								
Adonis Vyaper Private Limited	0.17%	168.86	0.00%	(0.27)	-	-	0.00%	(0.27)
Apnapan Viniyog Private Limited	0.17%	168.92	0.00%	(0.28)	-	-	0.00%	(0.28)
Ara Suppliers Private Limited	0.17%	167.88	0.00%	(0.32)	-	-	0.00%	(0.32)
Arham Sales Private Limited	0.17%	169.07	0.00%	(0.22)	-	-	0.00%	(0.22)
Century Infotech Limited	0.01%	9.14	-0.29%	(42.87)	-	-	-0.25%	(42.87)
Century MDF Limited	0.00%	2.01	-0.19%	(27.72)	-	-	-0.16%	(27.72)
Auro Sundram Ply & Door Pvt. Ltd.	2.59%	2523.29	-0.78%	(116.45)	-	-	-0.69%	(116.45)
Century Panels Ltd	0.01%	5.00	0.00%	-	-	-	-	-
Foreign Subsidiaries								
Direct Subsidiaries								
Centuryply Myanmar Pvt. Ltd.	5.62%	5481.09	-6.62%	(983.22)	24.96%	457.04	-3.12%	(526.18)
Century Ply (Singapore) Pte Ltd.	2.02%	1968.56	-45.00%	(6680.09)	73.15%	1339.14	-31.62%	(5340.95)
Century Gabon SUARL	1.68%	1638.45	0.00%	-	3.77%	69.07	0.41%	69.07
Non-Controlling Interest	0.18%	174.25	17.05%	2529.61	-	-	14.97%	2529.62
Total	100.00%	109061.01	100.00%	15058.15	100.00%	1830.73	100.00%	16888.89

*Net of consolidation eliminations / adjustments

49. Dividend

The Company has declared and paid an interim dividend of ₹1/- per equity share of face value of ₹1/- each, aggregating to ₹2,678.41 lacs, including corporate dividend distribution tax of ₹456.68 lacs, for the financial year 2019-2020. The Board has proposed that this may be treated as final dividend.

Notes to Consolidated Financial Statements as at and for the year ended 31st March, 2020

50. The Company's subsidiary Century Ply (Singapore) PTE. Ltd. (CSPL) had made an aggregate investment of US\$ 328,644 (INR ₹247.76 lacs) in two of its subsidiaries in Laos. Further, as on 31st March, 2020, it has an outstanding advance of US\$ 4,885,496 (INR ₹3,683.18 Lacs) given to the two subsidiaries for purchase of trading goods. The subsidiaries have incurred losses and are in capital deficiency as per the last audited financial statement for the year ended 31st March, 2020. These subsidiaries of CSPL were mainly engaged in operations to supply veneer and plywood but had to cease operations as the local laws banned export of veneer.

However, currently negotiations are on with a local operator to restart the operations in both the subsidiaries but the same has got delayed due to the present Covid-19 pandemic. Further, Independent valuation of the assets has been obtained which indicates that the realisable values of these assets are higher than their book value. Management is confident that the operations can restart once the covid-19 pandemic is under control. Thus the management is of the view that there is no further impairment loss on the carrying value of the investment in subsidiary.

51. Charity and Donations includes ₹50.51 Lacs (₹505 Lacs) paid to the political parties

52. Previous year's figures have been rearranged and/or regrouped, wherever necessary.

53. The financial statements have been approved by the Audit Committee at its meeting held on 26th June, 2020 and by the Board of Directors on the same date.

54. Notes to the Consolidated Financial Statements comprises of Information relevant for the Group.

For Singhi & Co.

Firm's Registration No.- 302049E
Chartered Accountants

Rajiv Singhi

Partner
Membership No. 053518
Place: Kolkata
Date: 26th June, 2020

For and on behalf of the Board of Directors

Sajjan Bhajanka

Chairman & Managing Director
DIN: 00246043

Arun Kumar Julasaria

Chief Financial Officer

Sanjay Agarwal

CEO & Managing Director
DIN: 00246132

Sundeep Jhunjunwala

Company Secretary

CENTURY HOUSE, KOLKATA



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