GREENPANEL®

GPIL/2020-2021
August 7, 2020

The Manager	**The Manager**
BSE Limited	**National Stock Exchange of India Limited**
Department of Corporate Services	Exchange Plaza, Bandra Kurla Complex
Floor 25, P. J. Towers, Dalal Street	Bandra (E),
Mumbai-400001	Mumbai - 400 051
Scrip Code: 542857	**Symbol - GREENPANEL**

Dear Sir/Madam,

Sub: Annual Report of the Company

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Annual Report of the Company for the financial year 2019-20.

The Annual Report for the financial year 2019-20 is also being made available on the website of the Company at https://www.greenpanel.com/wp-content/uploads/2020/08/Greenpanel-Annual-Report-2019-20.pdf

Kindly take the above on record.

Thanking You
Yours faithfully
For GREENPANEL INDUSTRIES LIMITED

LAWKUSH PRASAD
Digitally signed by LAWKUSH PRASAD
Date: 2020.08.07 15:52:31 +05'30'

Lawkush Prasad
Company Secretary & AVP - Legal

Encl: As above

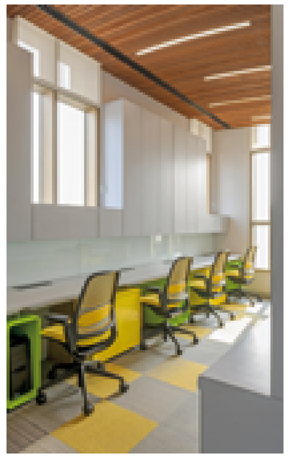
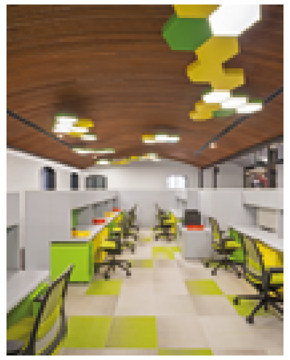
GREENPANEL

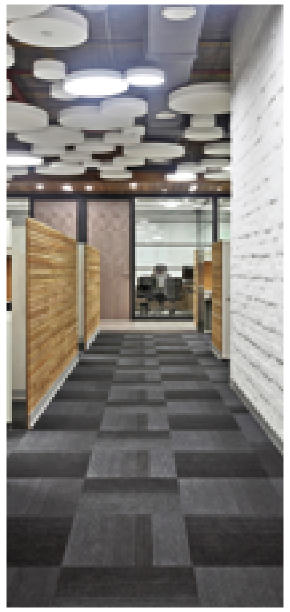
BUILDING AN INSTITUTION

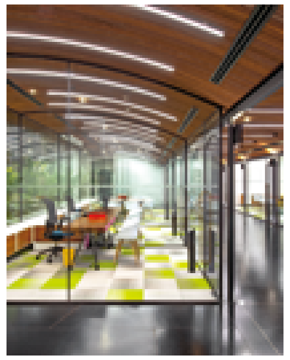
HOW GREENPANEL IS CREATING A LONG-TERM BUSINESS PLATFORM

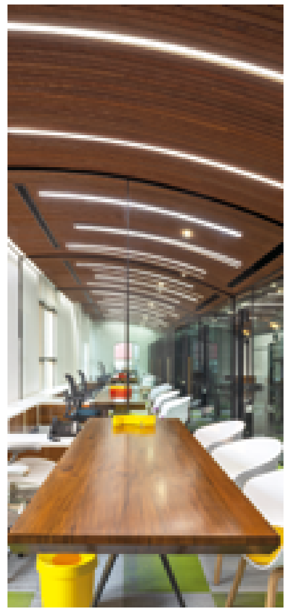
GREENPANEL INDUSTRIES LIMITED | ANNUAL REPORT 2019-20

Contents





Forward-looking statement

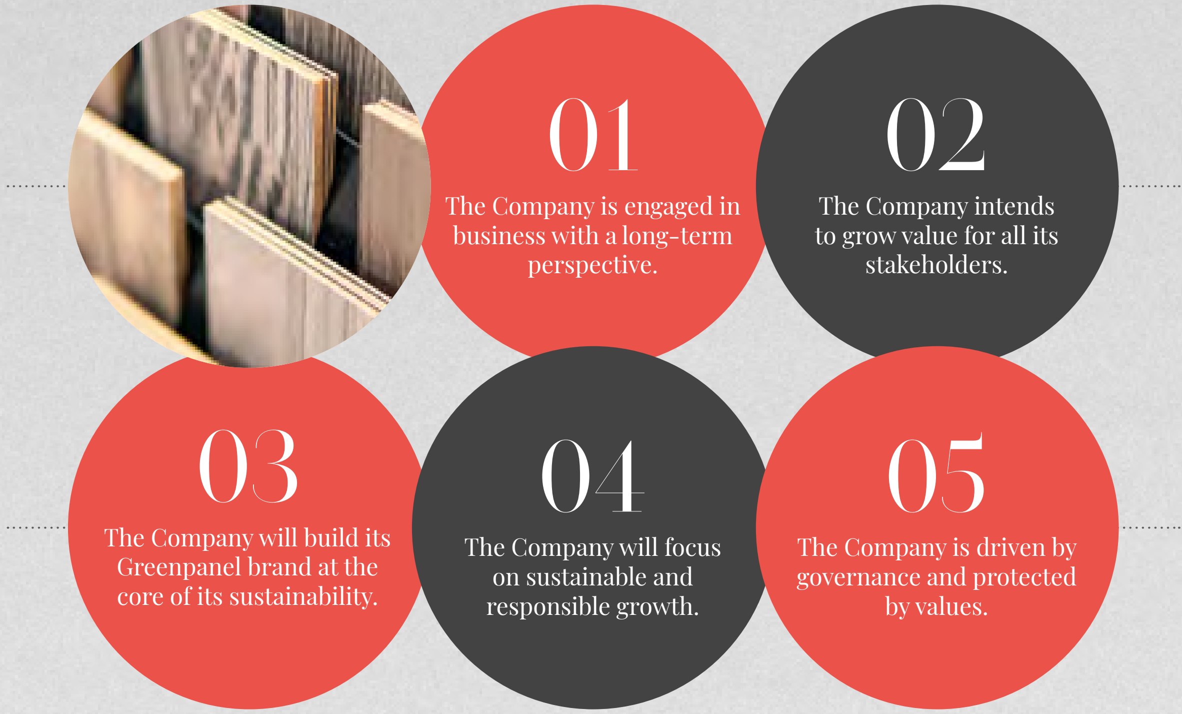
This report and other statements – written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', '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.

Greenpanel's listing

The listing of Greenpanel Industries Limited on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE) was completed on 23rd October 2019. This is the first Annual Report of the Company following the listing.

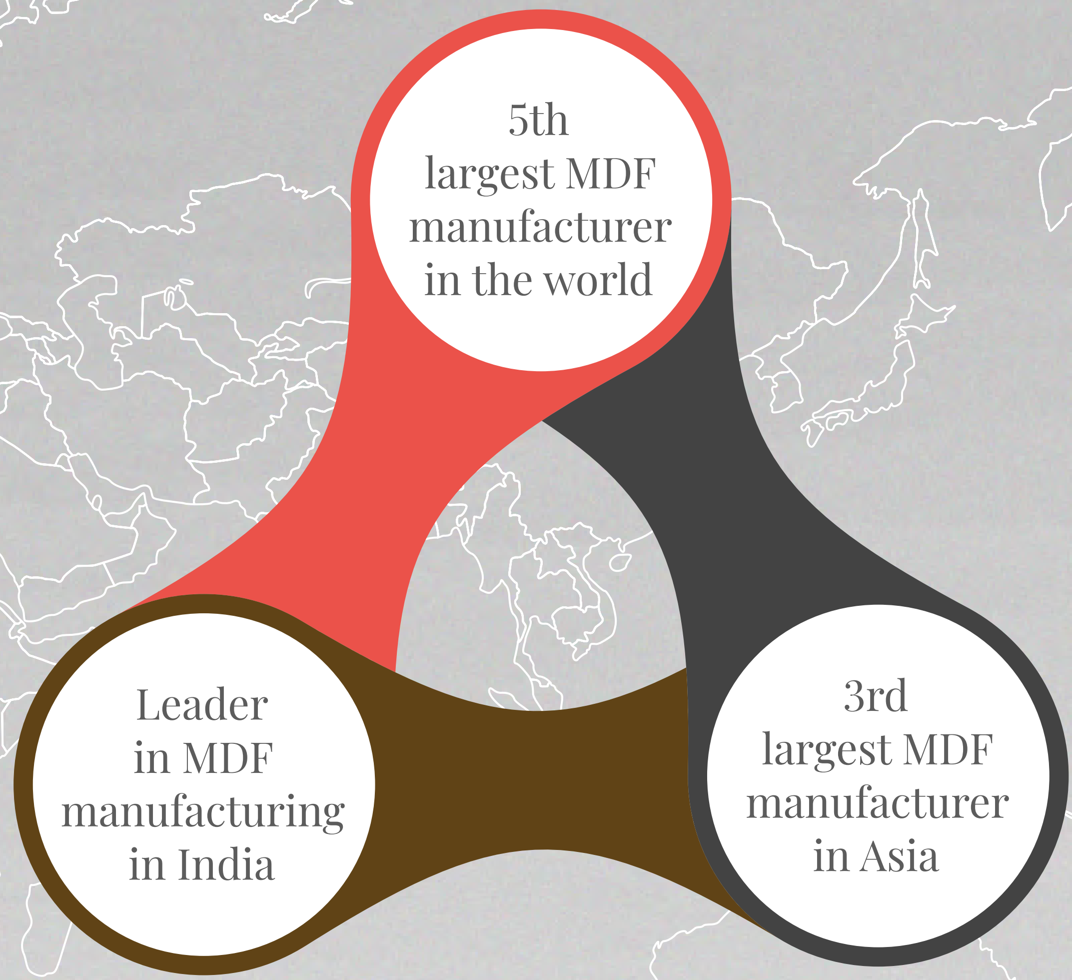
Trading codes: GREENPANEL (NSE) and 542857 (BSE)

Greenpanel Industries Ltd. is one of the youngest companies in India's interior infrastructure sector.



These are some of the messages that the Greenpanel intends to communicate to its large stakeholder ecosystem.

Greenpanel. Went into business in 2018. Already a leader.



Company performance

Metric	FY2018-19	FY2019-20
Total Revenue (cr)	570.82	830.33
EBITDA (cr)	96.17	137.33
EBITDA margin (%)	16.8	16.5
EBITDA margin excluding forex impact (%)	15.0	17.0
Profit before Tax excluding exceptional items (cr)	21.94	24.29
PBT margin excluding exceptional items (%)	3.8	2.9
Profit after Tax (cr)	44.13	16.20
PAT margin (%)	7.7	2.0
Cash profit (cr)	94.45	81.58
Return on Equity (ROE) (%)	6.5	2.3
Return on capital employed (ROCE) (%)	5.4	5.1
Working capital cycle (days)	65	45
Debt-equity ratio	0.85	0.78
Book value per share (₹)	55.5	56.8
Earnings per share (₹)	3.60	1.32
Interest coverage Ratio	1.92	1.51
Current Ratio	1.06	1.06
Quick Ratio	0.58	0.54

MDF segment's performance

Metric	FY2018-19	FY2019-20
Revenue (cr)	429.66	614.87
Contribution to total revenue (%)	75.3	74.1
Revenue Domestic (cr)	369.33	478.56
Revenue Exports (cr)	60.33	136.31
Sales volumes (cubic metres)	197763	316022
Domestic sales volumes (cubic metres)	154782	211119
Export sales volumes (cubic metres)	42981	104903
Average domestic realisation (₹ per cubic metre)	23861	22668
Average export realisation (₹ per cubic metre)	14036	12994
Average realisation (₹ per cubic metre)	21726	19457
Production volumes (cubic metres)	210818	326681
Annual capacity (cubic metres)	540000	540000
Production capacity utilisation (%)	47	60
EBITDA (cr)	78.22	111.82
EBITDA margin (%)	18.2	18.2
EBITDA margin excluding forex impact (%)	15.8	18.8
Profit before tax (cr)	12.85	8.77
PBT margin (%)	3.0	1.4
Working capital cycle (days)	43	39

Plywood segment's performance

Metric	FY2018-19	FY2019-20
Revenue (cr)	141.16	215.46
Annual capacity (mn square metres)	10.50	10.50
Contribution to total revenue (%)	24.7	25.9
Production capacity utilisation (%)	57	78
Sales volumes (mn square metres)	5.68	8.51
EBITDA (cr)	17.95	25.52
Average realisation (₹ per square metre)	249	253
EBITDA margin (%)	12.7	11.8
Production volumes (mn square metres)	5.94	8.17
Profit before Tax (cr)	9.09	15.52
PBT margin (%)	6.4	7.2
Working capital cycle (days)	131	60

Greenpanel Industries Ltd.
One of the largest MDF manufacturers in the world.

Brand vision

Every organisation in this world, irrespective of size and domain, works towards building a prosperous future for itself. We believe that the key to do so is by innovating in products and exceeding customer satisfaction.

We, at Greenpanel, envision the future of contemporary living spaces and then bring it to life. We pride ourselves in coming up with innovations which help us in achieving our Company's vision. To represent the infinite future possibilities in wood paneling. Our new logo is the perfect depiction of these infinite possibilities with a seamless merging of G&P to form an infinity symbol.

Mission

We are committed to provide our customers with products and solutions that are not only way ahead of their time, but also fit our customer needs like a glove. Our wood panel solutions are contemporary and are tailor-made to fit the evolving needs of our customers.

Values

Contemporary
We constantly strive to come up with innovative designs that fit modern spaces and add sheen of elegance to home or office space.

Versatile
We embrace change and do not fear it. This helps us stay ahead of the curve and please our customers.

Transformative
With avant-garde offerings, we constantly try to raise the bar of the industry in general.

Adaptable
We are nimble and are quick to adapt as and when required.

Trustworthy
Be it our customers, shareholders, employees or the public in general, we make sure we live up to the trust they have placed in us.

Eco-friendly
We make the best use of the scarce resources available to us to minimise wastage and only use efficient production practices.

What we are

Greenpanel is a leader within the vast market of India in the manufacture of wood panels. The Company's principal product is Medium Density Fibreboard (MDF). The Company is a market leader in this segment.

De-merger

The Company was the erstwhile MDF division of Greenply Industries. The Company was de-merged on April 1, 2018 into an independent company that focuses largely on the manufacture, distribution and marketing of MDF.

Management

Greenpanel is headed by stalwarts from India's wood panel industry. The Company is led by Mr. Shiv Prakash Mittal (Executive Chairman) and Mr. Shobhan Mittal (Managing Director and CEO), supported by a team of experienced industry professionals. The strength of the Greenpanel team as on March 31, 2020 was 1,859.

Listing

The Company was listed (following a demerger) on the NSE and BSE on October 23, 2019. The Company enjoyed a market capitalisation of ₹350.71 cr as on March 31, 2020, based on the closing price on NSE of ₹28.60

Corporate locations

The Company is headquartered in Kolkata (West Bengal) with business offices in Gurgaon (Haryana) and Singapore.

Manufacturing facilities

The Company invested in two state-of-the-art manufacturing facilities invested with European technology benchmarked around international standards. The Company's plants are located in Rudrapur (Uttarakhand) and Srikalahasti (Andhra Pradesh), the latter being the largest MDF plant in Asia.

Product offerings

Medium Density Fibreboard: Engineered wood manufactured with hardwood fibres, bonded together under high pressure and temperature (up to 240 degrees Celsius) with synthetic resin and wax. Greenpanel's MDF is respected for a high uniform density, making it strong, durable and eco-friendly.

Greenpanel wood floors: Customised around Indian conditions. Protects against dust, scratches and extreme climatic changes.

Greenpanel plywood: Customised around a range of applications. Manufactured on new-age equipment. Strict adherence to quality control. Helped create new benchmarks in India's organised plywood segment.

Greenpanel veneers: Offer an exclusive range of unique and exotic designs. Suitable for use in interiors (including high-humidity applications).

Greenpanel doors: Possess high dimensional accuracy and stability (ideal for conditions of varying humidity). Customised and available with a decorative veneered surface in horizontal or vertical grains.

Greenpanel. How we have evolved across the decade

2010
Launched Green Panelmax. Commenced production at the most modern MDF plant in India at Pantnagar, Uttarakhand

2014
Launched Green Floormax Wood Floors

2015
Commissioned an export office in Singapore

2016
Commissioned a second MDF plant at Srikalahasti, Andhra Pradesh

2018
Commenced production at Asia's largest MDF plant in Andhra Pradesh

2019
De-merged from Greenply to become Greenpanel Industries Limited

2019
Listed on NSE and BSE as a separate company

This is Greenpanel's first Annual Report following listing.

The report is dedicated to an explanation of what we are, what we stand for and where we wish to go

The Chairman's overview

Governance: The foundation of Greenpanel's business

At Greenpanel, we believe that to succeed in today's challenging business environment a governance foundation is imperative.

We believe that governance is the framework around which the business will be developed leading to the generation of sustainable value for all our stakeholders.

Even though we have been in existence for a little over two years, the promoters of the Company possess a track record of having growing related businesses around governance in the past that helped enhance stakeholder value. The transmission of those tested and demonstrated values has served as a foundation for Greenpanel in addition to our standalone priorities. The combination makes the governance foundation of our Company comprehensive, customised and contemporary.

At Greenpanel, our governance foundation comprises a number of priorities with which one seeks to grow the Company across the foreseeable future.

The big picture: At Greenpanel, the big picture is that we intend to build our Company into an institution. We recognise that this journey could be long and painstaking; we seek to bring to this overarching objective a complement of strategic clarity, operational transparency, blend of conservatism and aggression, periodic investments, cutting-edge technologies, holistic stakeholder value-creation and a respect for health, safety and environment considerations. The sum of these priorities can be encapsulated in one word: superior governance.

Board of Directors: At Greenpanel, governance begins with the Board of Directors. The Company invested in a Board comprising individuals of repute and standing; the members bring diverse competencies to the Board; the Board meetings are well attended and debated; the Board provides the strategic direction to the management coupled with periodic reporting accountability. The Company's Board comprises four independent Directors from qualified backgrounds who possess rich domain expertise.

Culture of excellence: At Greenpanel, we believe that an overarching culture of excellence is derived from components of excellence. No improvement initiative is considered too small; we believe that every good thing is inter-linked, strengthening mindsets and competitiveness.

Values: At Greenpanel, we believe that an organisation managed around a defined set of timeless values becomes sustainable across the long-term. These values need to be lived and demonstrated so that the governance commitment represents a calling that is visible to all. The Company extended beyond the regulation-mandated governance requirements of the day.

Singular focus: At Greenpanel, we are principally an interior infrastructure company with a predominant exposure to MDF (and plywood to a lower extent). A dominant product focus deepens excellence, attracts specialists, enriches knowledge, strengthens research and enhances scale. In a world where an increasing number of customers seek to work with fewer vendors, we see a growing importance for focused companies like ours.

At Greenpanel, we believe that the most successful companies are also the safest.

In view of this, we expect to remain the last person standing during challenging downtrends and the first to recover during sectoral rebounds.

Never over-leverage: At Greenpanel, we believe that in a business with a large and growing potential, there is always the temptation to mobilise large debt, grow the business aggressively and engage in aggressive pricing with the expectation to carve out a disproportionately larger market share. This is a temptation that we have avoided as we believe that large sustained debt could influence our strategic thinking away from the values we have cherished – of remaining a focused quality- and knowledge-driven player.

Scale: At Greenpanel, we address an attractively growing market. We established scale in this business to capitalise on economies of raw material procurement, manufacturing and marketing. We believe that by operating this scale with competence, we will possess a low break-even cost that makes us competitive across market cycles. In view of this, we expect to remain the last person standing during challenging downtrends and the first to recover during sectoral rebounds.

Maximise productivity: At Greenpanel, we believe that long-term competitiveness is influenced not as much by the physical backbone we may have invested in as much by the people infrastructure we would have nurtured. As an extension of this conviction, we recruit with care, orient employees around our DNA, train deeply, empower extensively, appraise periodically and chart out career growth, resulting in superior retention and the ability to do more with less.

Processes: At Greenpanel, we are a process-driven company that invested in ERP as a technology backbone. We believe that this provides the Company with a uniform basis for informed decision-making. The Company's business is driven by SOPs, enhancing predictability in decision-making, the basis of business sustainability.

Financial hygiene: At Greenpanel, we present accounts that can be trusted. We appointed a credible auditor to audit our accounts, enhancing the credibility of our financial reporting.

Health, safety and environment: At Greenpanel, we believe that the most successful companies are also the safest. The result is that the Company invested in the highest standards of health, safety and environment integrity. This ensures that the Company's operations are safe for employees, community and society.

At our Company, we believe that a complement of these priorities has translated into a different way of doing business.

Our ability to remain steadfast and committed to these realities will secure our prospects, strengthen stability and lead to sustainable growth.

I welcome you on this journey.

Shiv Prakash Mittal,
Executive Chairman


A dynamic marketplace...
Need to convince consumers of MDF characteristics
Sluggish realisations
Increasing competition
Extensive compliances
Tighter HSE norms
Growing role of logistics efficiency
Brand clutter
Premium on management credibility
Growing focus on governance


...and how Greenpanel is addressing it
Playing the role of an MDF evangelist
Cost austerity, reducing our break-even point
Investment in international scale
Benchmarked with the highest regulatory standards
Compliance with the highest HSE standards
Operating out of two plants (North and South India)
Invested in responsible brand building
Leveraged the promoter's value-rich legacy
Aggregated a strong and credible Board of Directors

The Managing Director's overview

The combination of volume and value de-growth affected the profitability of all MDF players in India, Greenpanel included.

2016
Commissioning of a second MDF plant at Srikalahasti, Andhra Pradesh

2019
Listed on NSE and BSE

Overview

At Greenpanel, we believe that we are passing through a period of unprecedented uncertainty.

This uncertainty was compounded by an economic slowdown within India and the world, coupled with the Covid-19 pandemic that affected consumption and consumer sentiment.

As a market-facing organisation, we were affected by the slowdown and lockdown across markets.

We were also affected by increased competition arising out of enhanced manufacturing capacities. In a market where sales were sluggish, realisations declined. Besides, a number of small unorganised players worked outside the GST net, disturbing the industry's stability.

The combination of volume and value de-growth affected the profitability of all MDF players in India, Greenpanel included.

Given these realities, the Company performed creditably. The Company reported a 45% increase in revenues, which outperformed the growth of the MDF sector in India. The Company retained its sectoral leadership.

Greenpanel's listing

Greenpanel was listed on the Indian stock exchanges on October 23, 2019 following its demerger from Greenply which effect from April 1, 2018.

We believe that we will enhance value for our stakeholders through a combination of sectoral leadership, brand visibility and responsible governance.

We believe that the listing will prove to be a game-changer in enhancing the Company's visibility, helping open doors and widening opportunities.

We also recognise that by being listed, we will now be benchmarked with some of the best companies in India in terms of operating standards, strengthening our commitment.

Building the business

This market uncertainty coincided with the business-building phase of Greenpanel. The Company engaged in creating a proprietary distribution network from scratch. We overhauled our sales and marketing teams. We engaged in timely recruitment to respond with a new organisational structure. We believe that this foundation is now growth-ready and should be scalable over time

At Greenpanel, we are optimistic of weathering the prevailing challenges for a number of reasons.

MDF, our principal product, represents the building material of the future for its superior price-value proposition.

Greenpanel is the only MDF company in India with two manufacturing facilities equipped to address demand coming out of Northern and Southern India. The former plant focused on demand coming out of the Northern and Eastern markets; the Andhra plant addressed the Southern, Central and Western zones as well as exports.

Greenpanel leveraged its scale, competitiveness, proximity and availability to counter imports.

Greenpanel deepened relationships with large OEMs, generating substantial volumes.

Greenpanel educated consumers on the superior MDF attributes, helping replace competing lower-priced plywood varieties.

Greenpanel positioned itself as a global player, generating 22% revenues from the export of MDF to markets like Dubai, Singapore, Sri Lanka and ASEAN where MDF is preferred to plywood as a building material.

Greenpanel entered into product supply engagements with prominent OEM customers like Godrej, Shapoorji Pallonji and Amazon, strengthening our credentials.

Greenpanel worked closer with category influencers like carpenters and architects, coupled with exhibitions in prime locations to showcase products to prospective clients.

Greenpanel entered into a contract with a Korean marketing company to collaborate in building a series of products that could graduate the Company into a global household brand.

Outlook for FY2020-21

At the moment it would be difficult putting an estimate on how we expect to perform the current financial year. Our performance will depend on how soon the Indian and global economies normalise following the pandemic.

There are some latent points of optimism within the challenging environment.

Virtually every government the world over – including India – is committed to reviving consumer demand. The Indian government announced a large financial package of ₹20 lakh cr coupled with downstream reforms directed at enhancing consumer sentiment. We believe that this will be an important inducement for people to build or renovate their homes and offices.

Greenpanel entered into product supply engagements with prominent OEM customers like Godrej, Shapoorji Pallonji and Amazon, strengthening our credentials.

We are optimistic that the government has focused on a reduction in the cost of finance for the rural and economically weak Indians. As the benefit of a decline in the cost of home financing widens we believe that home building could recover, strengthening the offtake of our products.

We are cautiously upbeat as a number of smaller competitors (from within the MDF and plywood spaces) players have closed down following the lockdown. There is a possibility of the collective market sentiment leaning towards MDF, viewing it as the 'best alternative' to plywood.

Should the anti-dumping law be cleared by the Government of India to counter duty-free import of cheap MDF, the industry sentiment could revive. Besides, the 2020-21 Union Budget recommended the imposition of import duties on ready-made furniture, strengthening the case for domestic resource manufacturers like Greenpanel.

Overview

While it is too early to estimate how the Company will perform during the current financial year, the Company will leverage the advantages of brand assurance, organised manufacture and the highest quality standards.

We perceive the prevailing uncertainty as an opportunity to build the business with patience and prudence, strengthening our sustainability.

Shobhan Mittal,
Managing Director and CEO

Greenpanel. Responding with speed to the pandemic

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 response

Most global governments declared lockdowns in successive phases. The Indian government implemented a national lockdown in late March 2020, which covered the comprehensive closure of offices, factories and public places. All international, inter-state and intra-state travel was restricted and borders sealed to limit the pandemic impact.

Greenpanel's responsiveness

Greenpanel moved with proactive speed in temporarily shutting its offices and manufacturing facilities in India. 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.

How Greenpanel expects to benefit from the pandemic

The social and economic realities

- Uncertain incomes of consumers
- Cheaper imports threatening jobs in India
- Restrictions in on-site furniture fabrication
- Bigger commitment to Make in India
- Social distancing influencing everything
- Fear of job security

How this could translate into the consumer psyche

Down-trading: With reduced consumer spending, the shift from the use of expensive plywood to lower priced MDF could accelerate

Anti-dumping: The Government of India hiked customs duty from 20% to 25% on imported furniture, which can strengthen Indian furniture manufacturers and the demand for MDF and plywood

Readymade preference: There is a growing shift to readymade furniture from custom-made equivalents by carpenters as it takes less time, lowers cost and reduces inconvenience.

Growth of the domestic market: There is a greater preference for Make in India products following the national instability following the pandemic.

Proximity factor: The need for higher spatial distance will increase factory-fabricated furniture production that enhances MDF offtake

Protection: Indian MDF manufacturers need to be protected from cheaper imports from countries where import duties on foreign technology investments are lower, where there are provisions for subsidy on land used for plantation purposes and where interest costs are lower.

How Greenpanel could benefit

The market for MDF could grow at the expense of cheaper plywood

Realisations could improve in the Indian market, benefiting MDF manufacturers

The factory-made furniture segment could grow faster, strengthening MDF offtake

Indian manufacturers like Greenpanel could build larger scale and emerge as effective exporters

Domestic manufacturers could benefit at the expense of global companies who export to India

There could be a stronger offtake for MDF

Indian MDF manufacturers like Greenpanel could recover their investments and grow faster, benefiting the large stakeholder eco-system

How Greenpanel protected the interests of stakeholders during the Covid-19 pandemic

Greenpanel's initiatives during the coronavirus outbreak

Customers

- Maximised precautions during product delivery
- Made sure that the prices of its products did not increase due to the pandemic

Employees

- Protected their mental, physical and financial well-being
- Implemented high workplace safety / sanitation standards
- Sprayed sodium hydro chloride across the manufacturing plants to prevent virus spread
- Transitioned to working from home
- Engaged in periodic 'All Hands Meet' calls through electronic video communication
- Managed essential plant services with a limited work force that was provided masks, hand sanitisers, temperature scans while maintaining social distancing

Investors

- Sustained focus on a healthy Balance Sheet
- Focused on cost rationalisation and reduction in wastage
- Availed moratorium on some of loan payments falling due between March and May 2020 to protect liquidity position
- Foresee no immediate impairment of assets due to Covid-19
- No major capital expenditure apart from routine maintenance capital expenditure

Community

- Distributed masks, hand sanitisers and bleaching power to surrounding villages
- Distributed vegetables to neighbouring villages
- Distributed masks and hand sanitisers to the police department

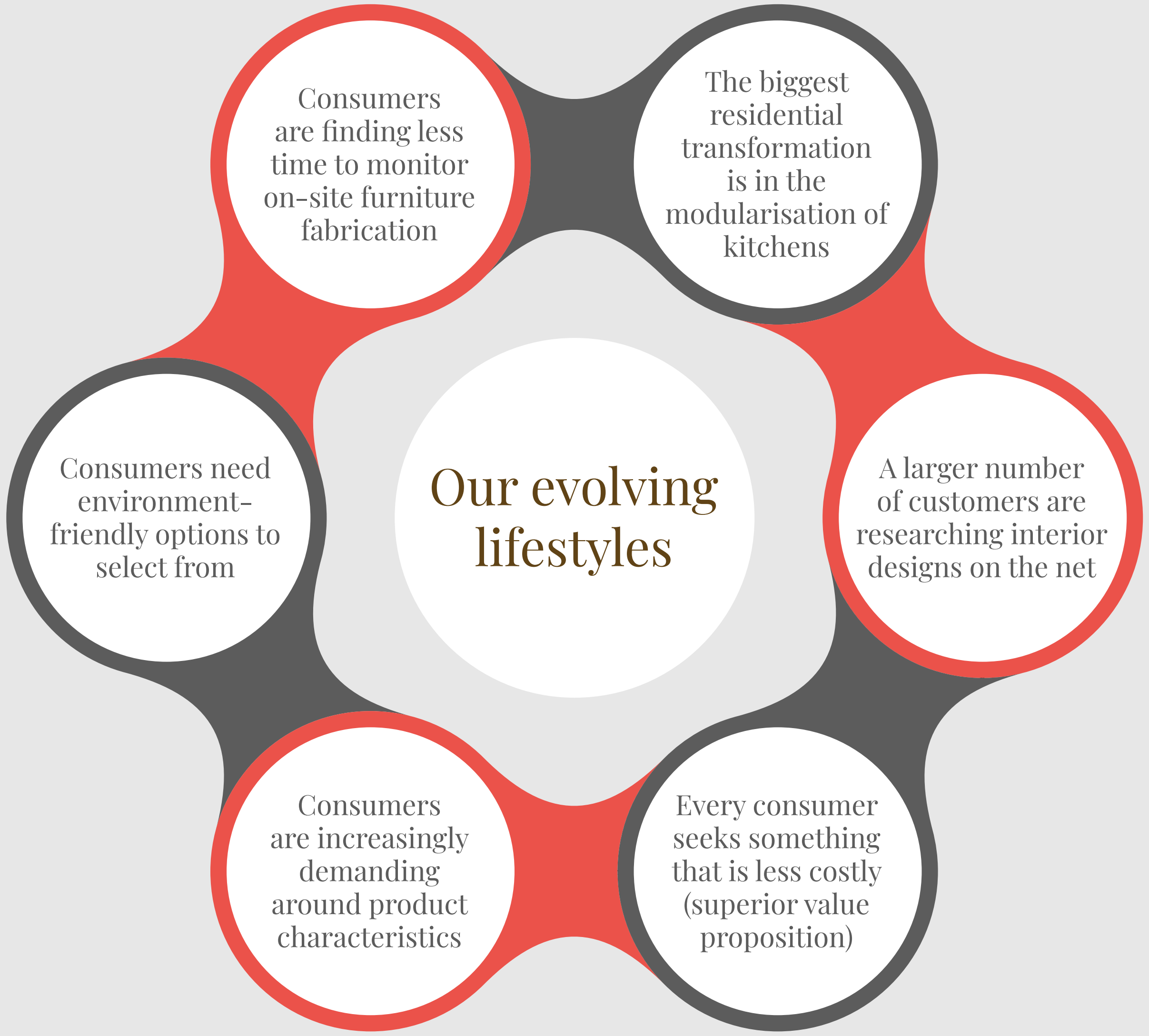
Distributors

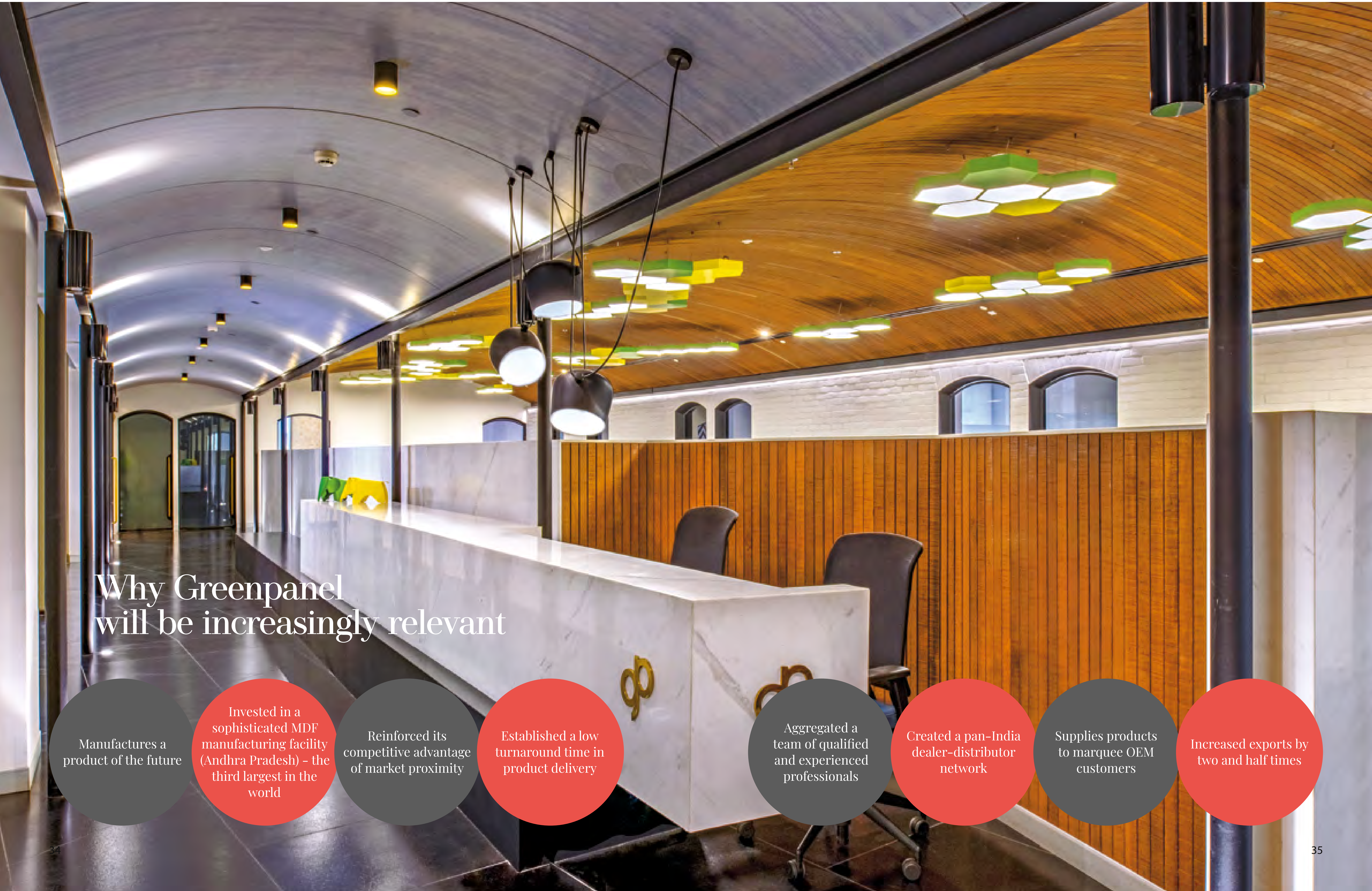
- Focused on increasing the distribution network
- Added 300 dealers for plywood and MDF
- Expanded the retail chain from 5,000 to 7,000

IT support

- Supported the business with no latency
- Facilitated secured virtual meetings
- Achieved zero downtime for critical systems (order management system, website, mobile and production systems)

Greenpanel and lifestyles





Why Greenpanel will be increasingly relevant

- Manufactures a product of the future
- Invested in a sophisticated MDF manufacturing facility (Andhra Pradesh) - the third largest in the world
- Reinforced its competitive advantage of market proximity
- Established a low turnaround time in product delivery
- Aggregated a team of qualified and experienced professionals
- Created a pan-India dealer-distributor network
- Supplies products to marquee OEM customers
- Increased exports by two and half times

Greenpanel. Touching lives everywhere

Rajeev Singhania. CEO of a Mumbai company. His secretary presented an office re-modelling budget. The relatively low cost surprised him. He asked how. The secretary called the interior designer. The interior designer answered in one word. 'MDF.'

Zainab Husain. Sculptor from Mysuru. Preparing for an installation exhibition. Till now all her sculptures have been done on wood. This time though, she wants to use a material that is more environmentally sustainable, cost-effective, more pliable and lighter in density. The answer? MDF.

Sunita Banerjee. Siliguri home-maker. Shifting homes. To an owned apartment. She says her dream is now going to be fulfilled. Not of ownership. But of a modular kitchen.

Virendra Gurjar. Jaipur. Employee at a tie-and-dye factory. His old wooden blocks have been replaced with lighter alternatives. Made of MDF.

N Srinivasan. Salem. Got a large order for mementos from a local school for its sports day. He turned to a wood-based material he could trust for quality and economy. MDF.

Rana Nair. Hyderabad. Senior Engineer of a real estate company. Got his team to erect temporary structures on site with doors and panels. All made of MDF.

"At Greenpanel, we are engaged in manufacturing a product for the future"

Explains Shekhar Sati, Country Head, MDF

Q: What are the prospects of a building material like MDF?

A: It would be important to understand that Medium Density Fibre Board is engineered wood manufactured with hardwood wood fibres bonded by synthetic resin adhesives under heat and pressure. The result is that what you get is an interior building material enjoying high and consistent density that makes it durable and eco-friendly. This explains the extensive popularity of MDF in a number of countries where the majority of the consumption is slanted towards MDF and a nominal proportion towards plywood. This is the reverse in India for historical reasons of product supply. Over time, we believe that the consumption transition will accelerate, widening the market for a company like Greenpanel.

Where can MDF be used?

MDF's strength and stability make it preferred for interior infrastructure applications like building and construction, residential and office furniture, wall panelling, modular kitchens, doors and wood floors. Greenpanel MDF is easier to rout, carve and finish. This makes it perfect for use in contemporary furniture.

What are the advantages of MDF?

What a number of carpenters have validated is that MDF is dense and stiff – with no knots that makes it machinable. There is another factor at work: the fine and uniform particles enhance dimensional stability without a predominant grain. Since the product is industrially manufactured under the standards of quality, it contains no voids and possesses sharp edges with no tear outs.

What are some of the other advantages of MDF?

One of the growing reasons behind the increasing popularity of MDF is that it is environment-friendly. The product is made from quick-growing hardwood species that can be regularly replenished and take only a few years to mature. We believe that the industry provides a financial incentive to farmers to invest in commercial plantations, increase tree cover, invest in clonal varieties that do not need a large water quantity and, in turn, provide farmers with a commercial incentive to widen tree cover. The business model, as a result, represents a win-win for the earth, farmer, manufacturer and user. We believe that in a world where a larger number of commercial and residential buildings are getting rated for their environment compliance, there will be a larger use of MDF. So it is not difficult to get the connection: the greater the commitment to environment responsibility, the bigger the market for MDF.

What are some of the other MDF attributes that a number of Indian builders are warming to?

MDF comes in a wide variety that can be customised around specific applications. For instance, Ultra-light MDF plate is best applied for applications. Typically green MDF is ideal for moisture-rich geographies as the product is moisture-resistant. Typically red or blue MDF is fire-retardant. Also, given the fact that most consumers will be moving towards ready-made furniture in the future, MDF will have increased prospects as a choice of raw material because of its efficiency and lower price.

A number of people ask: Why use MDF when you can use Particle Board?

MDF is manufactured using wood fibres with glue, which goes through a hot-press machine that compresses the mixture to form the board. On the other hand, Particle Board is an engineered panel board made from wood waste (wood chips, sawdust and wood shavings). The result is evident the moment you run your palm over the two: MDF has a smooth surface comprising wood grains of a uniform size (after processing through a chipper) while Particle Board is less smooth and has been made with non-uniform components (shape or size). The result is that if you are a demanding consumer with some interiors-pride, you will gravitate towards MDF, no question.

Once you extend beyond the visual, you realise that MDF provides superior value across levels. MDF is denser than Particle Board. It is stronger, more durable and with no gaps or voids that could enhance swelling. The result is that if you buy expensive furniture made from MDF there is a high likelihood that it will last for years; when made with particle board, you may be enthused by the fact that it costs less to begin with but over just a few years, you will recognise your error when you need to replace the furniture.

The message that is becoming increasingly apparent: when you need performance, you turn to MDF.

Greenpanel. Building stronger trade practices

Overview

In a business where the product is used in interiors, there is a need to market products to distribution partners across the country and abroad on the one hand and directly to institutional customers on the other.

Sectoral challenges, FY2019-20

- India is passing through a period of excess MDF capacity
- The country's MDF market is dominated by three large players
- These players (including leader Greenpanel) enhanced their capacities in recent past.
- Imports continued to disturb pricing and sales in India

Counter-challenge initiatives, FY2019-20

- Greenpanel leveraged its relatively low capital cost per ton to sustain operations
- The Company strengthened its brand through direct and indirect (promotions) engagements
- The Company grew volume and value sales in FY2019-20
- The Company addressed customer needs with a quicker turnaround time than imports
- Greenpanel increased its MDF capacity utilisation from 47% in FY2018-19 to 60% in FY2019-20 and plywood capacity utilisation from 57% in FY2018-19 to 78% in FY2019-20, strengthening competitiveness.
- The Company was part of an industry representation to The Ministry of Commerce, Government of India, advocating an imposition of an anti-dumping duty on cheap MDF imports.
- The Company scaled revenues from ₹198 cr in the first quarter of FY2019-20 to ₹227 cr in the fourth quarter of FY2019-20

Optimism

MDF is an environment-friendly product comprising a low ratio of wood utilisation compared with plywood. The product addresses the 'How can one build the most amount of furniture by using the least amount of wood?' proposition. While the world has transitioned to MDF over plywood, the same scenario could now emerge in India.

Greenpanel. Building stronger people practices

Overview

In a business where a range of competencies are needed, there is a premium on the need to recruit, train and retain talent.

Initiatives

The Company strengthened its training for new hires and existing employees across functional and behavioural competencies.

The Company continued to recruit for aptitude, attitude and ethical commitment.

The Company deepened its capacity around nurturing, transparency, friendliness and teamworking, which reflected in engagements like Fun Fridays (team bonding every second and fourth Saturday over pizza and games, Annual Day celebration in a resort as well as celebration of festivals)

Outlook

The Company intends to strengthen teams with the objective to enhance people retention.

What our people had to say about our culture

"Greenpanel creates leaders from within"

Siddharth Sureka,
Assistant Vice-President, Corporate Accounts

"I have not faced any gender bias at Greenpanel. The most heart-warming thing about Greenpanel is the down-to-earth nature of the promoters. Whenever the Chairman or MD return to Kolkata after a trip, they go to every cubicle to greet us, ask us how our work is going and if we are facing problems."

Ananna,
Assistant Company Secretary

"We are pantry workers where the burra babus know us by name and ask us how we are doing when they come to the Kolkata office. Aisa aur kahaan milega?"

Bikash Dey and Subrata Naskar,
Pantry staff

35
Years, average age

95:5
Male-to-female gender ratio (corporate and back office)

Greenpanel. Focused on manufacturing efficiencies

Overview

In a business where we possess the largest manufacturing capacity in India and among the largest in the world, there is a premium on being able to absorb technology, increase production, reduce manufacturing cost per unit produced and deliver products around the highest quality standards.

Challenges FY2019-20

- The Company was required to increase blended capacity utilisation across both manufacturing facilities.
- The Company was required to rationalise its manufacturing expenses
- The Company was required to protect sales realisations
- The Company was required to optimise administrative costs across all levels

Achievements, FY2019-20

The Company achieved a blended capacity of 60% in MDF, an increase of 55% over the previous year.

The Company rationalised its power expenses by producing in a more optimum manner; it prudently utilised its chemicals for production to minimise wastages.

The Company maintained its sales realisations by deepening its sales channels to cash & carry, OEM, wholesale customers and exports

The Company optimised its administrative costs by resorting to more e-meetings over video conferences and moderating travel

Outlook

The outlook for the current financial year is guarded in view of demand shocks arising from the pandemic.

Greenpanel. Strengthening its financials

Overview

In a business marked by overcapacity and sluggish offtake, there is a premium on the need to aggregate financial resources to sustain growth and service debt repayment on the other.

Challenges

The offtake of the Company's products is primarily dependant on the health of the real estate sector, which has been significantly affected for the last few years.

The weakness of the Indian currency against the US Dollar translated into currency losses (affecting the P&L account more than cash flows).

There was a greater demand among distributors to provide them with longer credit in view of the market weakness.

There was a decline in realisations on account of the sectoral overcapacity, imports and competition from players operating outside the Company's taxation system.

Achievements, FY2019-20

The Company achieved a blended capacity of 60% in MDF, an increase of 55% over the previous year.

The Company focused on exports, capitalising on the weakness of the Indian currency.

The Company strengthened working capital management; it reduced the working capital cycle from 65 days of turnover equivalent as on March 31, 2019 to 45 days towards the close of FY2019-20. The Company protected its margins despite a decline in realisations and relatively low capacity utilisation through superior cost management.

The Company repaid ₹89 cr of debt, strengthening its gearing (for long-term debt) from 0.85 to 0.78.

Competitive

Greenpanel borrowed Euro 42mn with a 10-year window at a cost of 6 month Euribor plus 0.50%, strengthening its competitiveness

Greenpanel. Building a stronger brand

Overview

In a business where the product is purchased on the basis of its recall, there is a premium on the need to invest in sustained brand building.

Key challenges

There was a challenge in educating customers about the positive attributes of MDF over plywood.

There was a challenge in enhancing retail store visibility across small multi-brand outlets to capture consumer attention.

There was a challenge in marketing to the real estate sector, apartment buyers and commercial offices in view of the ongoing slowdown.

Countering the challenges

The Company engaged deeper with product influencers (carpenters, contractors and architects) in showcasing product capability

The Company engaged in brand building on exterior walls along highways across the country, enhancing visibility. The Company enhanced signages and in-shop displays at outlets especially in the untapped markets of Tier II and Tier III cities. The Company strengthened its digital presence (relevant social media platforms). It balanced mass advertising and direct marketing to address a wide audience.

The Company introduced a Standard Operating Procedure (SOP) for carpenters and product installers, enhancing the integrity of the delivered solution and widening the pool of product influencers.

The Company launched a website to market wood floors that would engage with architects, channel partners and consumers in addition to generating fresh leads. The website comprised a simulation feature through which the visitor could visualise different wood floor designs before arriving at a purchase decision.

The brand invested in a broad spectrum of wood panelling and surface enhancement products addressing different consumer needs across price points.

The Company engaged in magazine advertising to address architects and channel partners.

The Company leveraged product swatches to enhance the interest of trade partners.

Outlook

The Company will leverage its new interactive website for Greenpanel wood floors (www.gpwoodfloors.com)

It will deepen retail branding across India

It will engage in extensive digital marketing on social media (Facebook and Instagram) with the objective to increase brand visibility

During lockdown it implemented a 21-day fitness challenge, reaching out to more than 25 lakh people while its Work from Home contest reached out to more than 9 lakh people; its mobile campaign during the lockdown engaged with retail customers and carpenters

Its presence at the India Wood Exhibition in Bengaluru in FY2019-20 generated hundreds of leads

Its periodic advertisements in trade and influencer-led magazines are expected to widen visibility

It intends to capitalise on the successful launch of 'Wood Chimes'- its experience centre dedicated to Decorative Veneers in the Rudrapur plant

Greenpanel appointed Cheil India, one of the leading Private Marketing Solutions companies of the country, as its agency to manage integrated communication.

What our stakeholders have to say

"MDF kaatne mein bahut aasani hai. We need less labour to do the same work. Much of the demand is coming from residential modular kitchens. We find it easier to provide a smooth, rounded finish to MDF."

Suresh Shaw,
Carpenter

"MDF is easily customisable. In today's day where visual information about everything is easily available, clients come to us with their designs after having seen something on Instagram or Facebook. That is when MDF becomes handy. MDF sheets come in various sizes and are cost-effective. The product is a winner."

Alka Poddar,
Interior Designer

"We were surprised to read on the internet that MDF was better than plywood. Our design turned out smarter with the finish just like real wood."

Chetna Agrawal,
Customer

"When it comes to quality, Greenpanel is at the top of the game. The density and thickness of Greenpanel MDF board is better than local and imported brands. At a time when companies are reducing the density and thickness of MDF products to cut costs, Greenpanel has remained consistent. For every three products we sell of competing brand, we sell seven of Greenpanel."

Raunak Ghiya,
Signature Plywood and Home Furnishings, Tonk Phatak, Jaipur

Greenpanel. Building its Environment, Health and Safety commitment

Overview

The world over there is a growing commitment to clean and 'green' manufacturing. This movement has been inspired increased government regulation, an incentive in the form of superior ratings that generate higher rentals and realisations as well as a greater consumer respect for such companies.

Greenpanel manufactures a product that has been derived from nature, indicating that its source is non-synthetic, bio-degradable and sustainable.

Besides, Greenpanel has invested extensively in environment sustainability that reconciles the use of superior technologies, renewable resources, resource consumption reduction, credibility-enhancing certifications and effluents treatment. Greenpanel's Andhra Pradesh factory has been rated as an environment showpiece, validated by the prestigious IGBC Green Factory Building with a Gold rating for sustainable manufacturing practices.

As an upside, the Company has optimised costs, emphasising the point that green business is good business. This indicates that the Company's product, process and impact are good for all stakeholders.

Greenpanel's environment commitment

At Greenpanel, our environment sustainability begins with a commitment to help grow and source natural resources. The Company provides clonal saplings to farmers to raise specific wood species. The selected species are environmentally relevant as they consume less water and comprise a relatively short gestation period, making them a win-win proposition for farmers, earth and company.

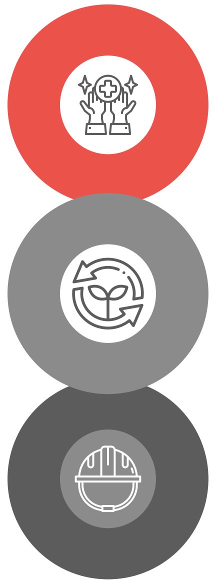
Greenpanel created a team to drive environment responsibility within its manufacturing facilities. The team evangelised the subject across every manufacturing employee, widening the subject's ownership and responsibility. Besides, the Company appointed an external agency to monitor the environment standards across its manufacturing units, enhancing the integrity of its findings. Reports were submitted on a periodic basis to the pollution control units, strengthening compliance.

Resource conservation initiatives, FY2019-20

At Greenpanel, we believe that a lower consumption of resources of any kind lies at the heart of environment sustainability. In view of this, the Company outlined a priority to moderate the consumption of natural resources within its manufacturing operations. This strengthened the Company's commitment to generate a lower carbon footprint.

Rainwater harvesting: At Greenpanel, we are not only focused on the moderation of water in our manufacturing process but also the capture of every drop of rain within our water harvesting system for onward reuse. The total rain water harvesting capacity of the system commissioned by the Company in its Andhra Pradesh plant was 130,000 Cum. Greenpanel commissioned a laboratory to periodically monitor water quality.

Responsible waste disposal: At Greenpanel, we believe that waste generated during the manufacturing process needs to be responsibly disposed. The Company implemented a 5S system in FY2018-19 to train the staff in sound house-keeping practices as the first step towards methodical product access, use and disposal. During FY2019-20, the 5S initiative was sustained through regular audits, training, competitions, rewards and recognitions. The Company appointed a dedicated housekeeping team to enhance plant hygiene. The plant installed separate bins to collect different wastes generated from the manufacturing process, moved to a 'Central Scrap Yard' for segregation,

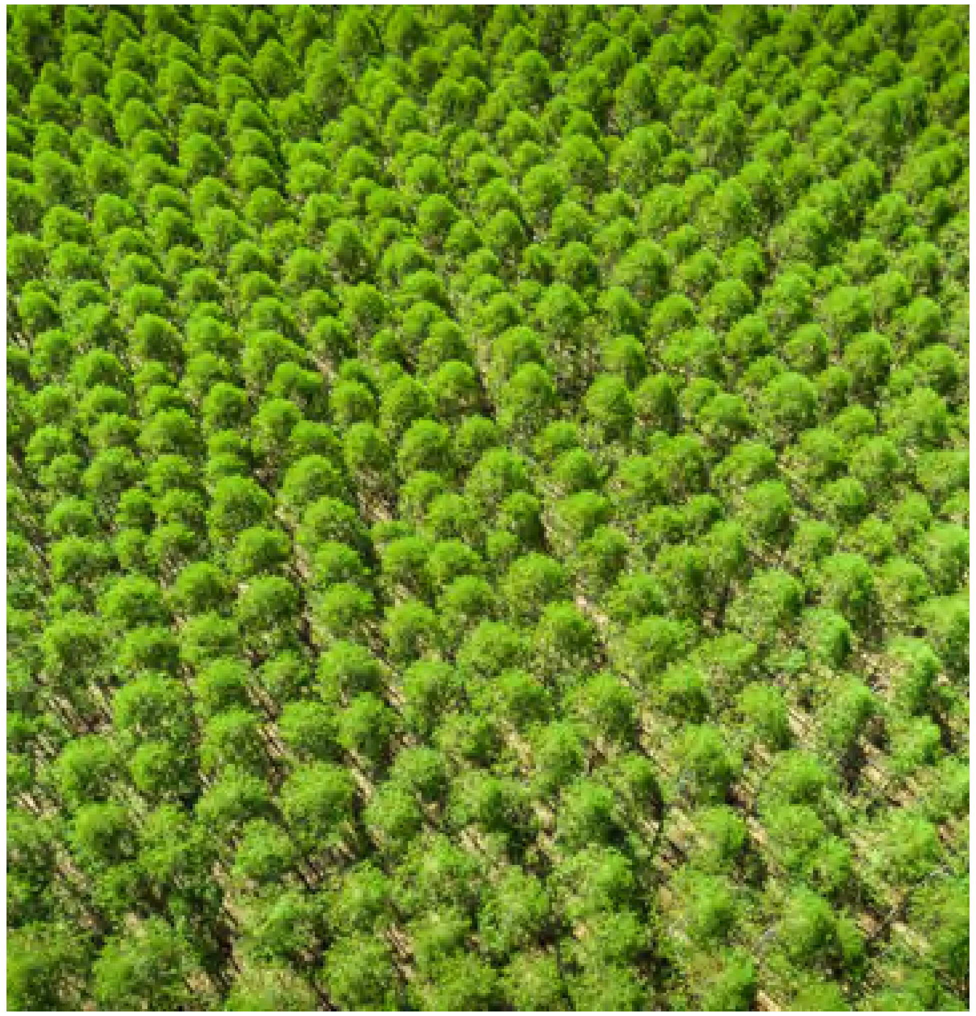


At Greenpanel, we are not only focused on the moderation of water in our manufacturing process but also the capture of every drop of rain within our water harvesting system for onward reuse.

storage and disposal through authorised re-processors and recyclers. All generated waste was documented and disposed as per PCB norms.The Company appointed brick manufacturers to remove fly ash waste generated during the MDF manufacturing process who use it to make their end product, a good instance of waste being transformed into wealth.

Reduction in energy consumption: Over the years, the Company invested in energy conservation equipment (energy efficient chillers, DGUs, etc.). The result of the Company's commitment translated into energy saving that was 34% higher than the Green Building baseline. The Company installed energy meters to monitor performance and indicate improvement opportunities. The Company designed its manufacturing area through the prudent use of skylights that maximised natural light energy and minimised LED fixtures. Required capacitor banks maintained Power Factor 1 and were monitored hourly.

Process improvement: A continuous monitoring of equipment performance related to power consumption,coupled with optimised process cycle time at every stage of the manufacturing process, generated continuous improvement.



Power saving initiatives, FY2019-20

The Company strengthened its initiatives to moderate power consumption that would, in turn, moderate its drawal from the state electricity grid that was driven by power generated from fossil fuels.

- Power equipment with high motor ratings was equipped with variable frequency drives.
- The monitoring and control of energy consumption was conducted through energy meters.
- Street lights were provided timers to keep them on during specific hours.
- Standby measures were followed wherein manufacturing equipment with no raw material would stop automatically.
- Motor-driven pumps were automatically operated, the floats preventing an over-run that translated into lower consumption.
- Temperature sensor-driven equipment was installed to control power consumption.
- LED lights, consuming lower power, were installed in place of flood lights and other variants that consumed more electricity.

Health initiatives, FY2019-20

At Greenpanel, we believe that index of our HSE commitment lies in the health of our employees. The objective of the Company is to periodically monitor employee health and enhance fitness awareness. As an extension of this commitment, the Company's medical team periodically visits neighbouring villages to provide medication and enhance health also awareness.

Medical facilities: As per industrial norms, the plant provides emergency medical facilities comprising a First Aid room, doctor and nurse. An ambulance addresses emergencies and transports persons to the nearby hospital in case of need.

Safe drinking water: The Company installed a reverse osmosis plant to provide fresh drinking water for employees.

Safety initiatives, FY2019-20

The Company focused on making its workplace completely safe as measured by zero accidents in manufacturing units. In FY2019-20, the safety initiatives comprised the following:

- Appointed a Safety Officer to monitor safety activities
- Issued PPEs to employees based on their process locations
- Initiated and monitored the Work Permit System with LOTO procedures wherever required.
- Conducted safety training for all employees
- Conducted Safety Committee meetings.
- Investigated accidents and incidents
- Monitored the number of safe 'person hours' reported
- Circulated monthly safety reports
- Audited fire protection equipment for their readiness

Greenpanel's HSE certifications, FY2019-20

- BIS (Bureau of Indian Standards) Certificate
- CARB (California Air Resource Board) certification for low emission product

What our stakeholders have to say about our HSE commitment

"At Greenpanel, safety comes first. The cutting-edge European technology enhances manufacturing ease as virtually everything is automated, reducing risks. This enhances our concentration on the integrity of the production process rather than being stressed about safety."

Kushal Chowderi,
Senior Manager

"At Greenpanel's Andhra Pradesh plant, we take oaths daily on issues relating to the environment. Each worker is provided with appropriate shoes, masks and clothes. The shop-floor is cleaned every couple of hours."

Purna Chandra,
Shop-floor supervisor

Greenpanel's procurement economies

Overview

In the business of plywood and MDF manufacturing that relies extensively on the procurement of wood resource, there is a premium on the ability to procure the largest volume at the most affordable cost from within the shortest procurement distance.

Presently, the availability of wood resources is being increasingly affected by a mistaken perspective that this is environment degrading. There is a growing need to create responsible business models that reconcile the interests of the farmer, user and the environment.

When Greenpanel embarked on an ambitious project to encourage farmers in growing plantation wood in and around its manufacturing facility, the challenges were considerable: the vast volume of wood required warranted a long-term investment that was not easily available from within the Company's financials. The Company took a considered long-term approach: it invested, demonstrated the proof of its concept, scaled and transformed the growth of plantation wood into a full-fledged movement.

Over the last two years, the Company has taken successful steps in enhancing the throughput of available plantation wood. It has kick-started a rural transformation in the areas of the Company's presence: enhanced farmer livelihoods, secured availability of precious raw material from within 200 kms of the Company's manufacturing facilities, moderated the delivery cost of wood resource, enhanced rural prosperity and subsequent re-investment in commercial farming, enhanced wood quality and strengthened the output of paper and corresponding realisations.

Strengths

Lower distance: The Company has moderated the average distance covered in the procurement of wood resource, reducing time and distance taken on the one hand and the average cost of procurement on the other.

Stability of engagement: The Company entered into stable engagements with a growing number of farmers, representing a dependable procurement backbone, resulting in multi-year resource visibility.

Holistic role: The Company has graduated from just a buyer to a friend-philosopher-guide, helping farmers generate superior yields and advising on re-investments, widening the circle of prosperity.

Clonal: The Company reinforced its wood plantation programme through the availability of high yielding clonal saplings, increasing tonnage per hectare and enhancing farmer prosperity. Besides, a reduction in the gestation period by 40% to grow the clonal saplings into full-fledged trees has proved win-win: quicker incomes for farmers, greater inducement to grow trees and secured material availability for the Company.

Outlook, 2020-21

The Company will deepen its R&D capabilities, widen plantation footprint and accelerate the shift from seedlings to clonal saplings.

Greenpanel empowering farmers

"Greenpanel has done a lot for *raitus* (Telugu word for farmers). I had three acres lying barren for years. Greenpanel taught us the benefits of plantation. I planted 4,500 saplings on three acres. I will profit from them once they mature."

P. Dharmayya,
Farmer, Aalathur

"Me and my *bharta* (Telugu word for husband) are poor farmers. It was difficult for us to generate an adayam (Telugu word for income) only through crop cultivation. We had a lot of barren land. Greenpanel educated us on plantations. We planted 18,800 saplings on 13 acres."

K. Bharati,
Famer, Anjurasuramala

Sustainability and farmers

- The Company provides farmers with high yielding clonal saplings
- These helped increase tonnage per hectare, reduce gestation and enhance farmer incomes
- The Company assures farmers of clonal-derived wood buyback
- The Company facilitates wood movement to the factory
- The Company provides superior returns to farmers without intermediaries

Greenpanel. Responsible corporate citizen

Overview

At Greenpanel, we profess a responsibility that extends beyond profit towards responsible corporate citizenship.

Over the years, we invested in CSR activities of high social value around our manufacturing facilities. The following were conducted in the vicinity of our Andhra Pradesh plant:

- Delivered medical services to 23 neighbouring villages
- Facilitated the delivery of drinking water through the installation of reverse osmosis plants
- Supported child education initiatives
- Developed natural resources

Our achievements, FY2019-20

- Greenpanel launched a mobile medical van service trail to enhance an awareness of rural health concerns
- Provided medical consultation, assistance, counselling and medicines for basic and general diseases without charge.
- Pledged to provide safe drinking water in rural communities (Routhusuramala, Shivanatha Puram and Dommera Metta).
- Delivered 631 benches to six Zilla Parishad schools in six villages. Provided 100 tables and 400 chairs to 20 Anganwadi Kendras.
- Supported farmers to build a sustainable future through investments in Natural Resource Management comprising water channelling work to support farmers through the 2019 farming season.

60,000
Number of people whose lives we touched

8,200
Number of people treated through our medical outreach programme

Profile of the Board of Directors

Mr. Shiv Prakash Mittal
Executive Chairman

He holds a Bachelor's degree in Science from the University of Calcutta. He was one of the founders of Greenply Industries Limited. He was associated with Kitply Industries Limited for 21 years. He has over 30 years of experience in the fields of production and marketing in plywood, laminates, MDF and allied products.

Mr. Shobhan Mittal
Managing Director & CEO

He holds a Bachelor's degree in Business Administration and was Joint Managing Director & CEO of Greenply Industries Ltd. He possesses over 10 years of experience in Business Administration and Marketing Strategy. He was instrumental in setting up of the MDF units of the Company at Pantnagar and Chittoor. After successfully streamlining the Pantnagar unit, he is involved in streamlining operations at the Chittoor unit.

Mr. Salil Kumar Bhandari
Independent Director

He is FCA qualified and graduated from Shri Ram College of Commerce, Delhi University, and has a Diploma in Business Administration from the All India Council for Management Studies, Chennai. He is Founder and Managing Partner of BGJC & Associates LLP, an audit and management consulting firm in New Delhi. Earlier he held positions in various organisation: Former President of the PHD Chamber of Commerce & Industry, Chairperson of Society for Integrated Development of Himalayas and Child Fund India Member of Task Force – Commission on Centre State Relations, Govt. of India. He was a Managing Committee member at ASSOCHAM. He was a Member of Advisory Committee, Dept. of Company Affairs, Govt. of India. Presently, Mr. Bhandari, besides being on the Board of Indian Institute of Management, Indore, also holds Directorships in several companies and their statutory committees.

Mr. Mahesh Kumar Jiwrajka
Independent Director

He belonged to the Indian Forest Service, Maharashtra Cadre (March 1, 1977 to March 31, 2009) and took voluntary retirement from March 31, 2009. Among various positions, he also was the Inspector General of Forests & Head North-East Cell, Ministry of Environment & Forests, Government of India. In his many years of experience, besides handling various important issues dealing with various aspects of environment, he also held the following positions: Member Secretary, High Power Committee for the North Eastern Region, constituted by the Hon'ble Supreme Court of India (1998 to 2016). He was a member of the Special Investigation Team, Constituted by the Hon'ble Supreme Court of India (February 13, 2000 to 2016). He was Member Secretary, Central Empowered Committee, constituted by the Hon'ble Supreme Court of India (May 9, 2002 to 2016). He was Member, CAMPA, constituted by the Hon'ble Supreme Court (May 2005 to 2016). Presently, Mr. Jiwrajka is the proprietor of SRDA Advisory Services, specializing in financial, legal and environment consultancy.

Ms. Sushmita Singha
Independent Director

She is a post graduate in English from the Patna University, has done a Diploma in Urban Town Planning from the Human Settlement Management Institute, New Delhi, as well as a certification course in Enhancement of Managerial Capability from the Indian Institute of Management, Lucknow. Besides holding Directorships in several companies and their committees, Ms. Singha has also been actively involved in several social organisations and Government initiatives: Former Secretary General of the PHD Chamber of Commerce & Industry and Former Member of the UN Task Force-Millennium Development Committee for Water and Sanitation. She has been a Member of the Task Force on Tenancy Rights, Ministry of Urban Development, Government of India. She was a Member of the National Tourism Advisory Council, Ministry of Tourism,Government of India. She is a Former Member of the State Supervisory Board, Department of Health, Government of Uttar Pradesh. She received awards from the Islamic Republic of Afghanistan as well as Sri Lanka. She is also on the Advisory Board of BJGC & Associates LLP. Presently, Ms. Sushmita Singha is associated with NGOs like My Anchor Foundation, Sapna NGO, and INTACH etc. in various capacities.

Mr. Arun Kumar Saraf
Independent Director

He is a Chartered Accountant by qualification, has been practicing as a Tax Consultant for over 33 years. He had been managing Income Tax-related matters for over 250 companies across Kolkata, Bangalore and Mumbai. Besides, he has also been appointed as a Director in Loyalie IT-Solutions Private Limited.

Management Discussion &Analysis

Global economic overview

The global economy witnessed a steady decline in 2019 fuelled by a sharp downturn in industrial production, weakening trade relations between China and USA, demand slowdown in China, and other geo-political tensions. This moderated global GDP growth from 3.6% in 2018 to 2.9% in 2019. The global economy was affected by the outbreak of the Covid-19 pandemic from the start of 2019, which is expected to de-grow the global economy in 2020. (Source: IMF World Economic Outlook)

Indian economic overview

India's growth for FY2019-20 declined to 4.2% in FY2019-20 from 6.1% in the previous financial year, with growth in the fourth quarter declining to 3.1%. Private consumption, the prime driver of the economy with about 60% share, was estimated to grow at 5.8%, down from 10% in FY2018-19. Manufacturing growth was seen at 2% year on year, a 15-year low as against 6.9% growth in FY19.

A sharp deceleration in economic growth and surge in inflation weighed on the rupee exchange rate with the Indian rupee becoming one of the worst performers among Asian peers marked by a depreciation of nearly 9% since April 2019 (USD was ₹75.59 as on March 31, 2020 against ₹69.11 as March 31, 2019). Retail inflation climbed to a six-year high of 7.35% in December, breaching the RBI's upper band of 6% for the first time since the formation of the Monetary Policy Committee.

Despite the slowdown, India was among the top 10 recipients of Foreign Direct Investment (FDI) in 2019, attracting USD 49 bn in inflows, a 16% increase over the previous year. The majority of this FDI went into service industries, including information technology; the country saw all-time high private equity investments at USD 48 bn in 2019, mainly on account of the infrastructure sector accounting for 30% of all investments by value in 2019 compared to 12% in 2018.

India emerged as the fifth-largest world economy in 2019, overtaking the UK and France with a gross domestic product (GDP) of USD 2.94 tn. (Source: Goldman Sachs, Economic Times, CSO, Economic Survey, IMF)

Global furniture industry overview

The global furniture market size was estimated to grow by USD 137.3 bn during 2019-2023, at a CAGR of almost 5% before the global pandemic break-out and the resulting lockdown. Office furniture accounts for 15% of the total global furniture market.

A huge part of the growth is expected to arise from Asian countries owing to rapidly flourishing consumer markets in countries like China and India. Rising disposable incomes, changing lifestyles and technological innovations are a few drivers behind the growth of global furniture industry. (Source: Global Market Insights, Goldstein Research)

Global MDF market overview

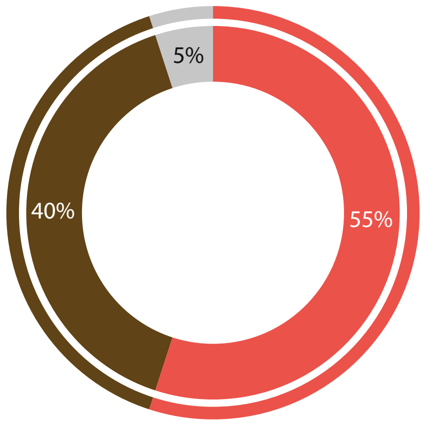
The global MDF market was estimated at USD 61.3 bn in 2019. It is expected to grow at a CAGR of 6.6% between2020 and 2027. The growing building and construction industries, especially in developing countries, represent one of the primary factors contributing to the growth of the global MDF market. Moreover, MDF is an environment-friendly wood product, which is manufactured using recycled wood, and aids in saving trees and protecting the environment. As a result, governments in various countries are encouraging the adoption of wood panels, catalysing MDF market growth.

Geographically, the Asia-Pacific region represents the largest market for MDF owing to the burgeoning construction industry and the rising demand for better housing and furniture in the region. (Source: Grand View Research)

Global plywood market overview

The global plywood market was estimated at 105.9 mn cubic metres in 2018, and is expected to exhibit a CAGR of 3.3% between 2019 and 2027, in terms of volume. It is anticipated that the plywood sector could witness significant demand from construction activities by application. Moreover, the economical price of plywood is likely to drive the market. (Source: IBEF)

Global wood-based panel market share, by application, 2019 (%)



(Source: www.grandviewresearch.com)

Indian furniture market overview

The revenue of the Indian furniture and homeware segment amounted to USD 1,278 mn in FY2019-20 with an expected CAGR (2020-2024) of 11.2%, resulting in a market volume of USD 1,952 mn by 2024. The user penetration for FY2019-20 was 7.5% in 2020 and expected to increase to 16.9% by 2024.

The key factors expected to drive the market are increasing government investments in infrastructure development and rising demand for luxury and premium furniture from certain consumer sections.

In terms of supply, India furniture market is categorised into domestic and imported segments. The unorganised segment dominates the Indian furniture market as it offers cheaper products in comparison to the ones available through the organised category. (Source: Statista, TechSci Research)

Indian MDF market overview

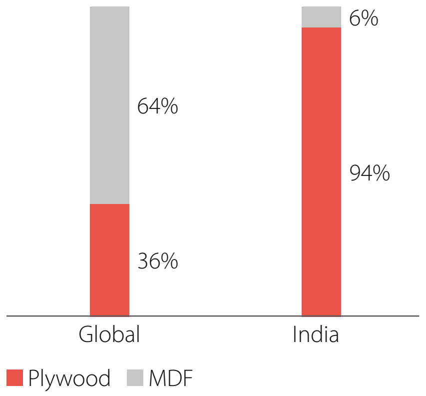
India's furniture market has been undergoing a major shift with a move towards ready-made furniture and a rising preference for medium density fibre (MDF) over plywood, which is aligned with the global trend. There is also a rise in the consumption of ready-made furniture and also furniture purchased online, following the pandemic and the culture of social distancing. At present, the growth rate of plywood in the Indian market is about 4 to 5% whereas the MDF business today is about ₹1,900 cr, growing at around 15% per annum.

MDF is witnessing a rise in global demand. About 80% of wood panel consumption is that of MDF and other types of particle board while plywood makes up only 15 to 20% of the total mix. In India, the statistics are exactly inverted with plywood still dominating the market with 80 to 85% consumption. (Source: Global Woods Market Info)

Indian plywood sector overview

Plywood's high structural strength and flexibility; resistance against exposure to chemicals and fire and insulation against sound and excessive heating make it a preferred material in the manufacture of doors, stairs, external cladding, flooring, framing, interior rails and balustrades, internal panelling and timber joinery products. In the marine industry, special grades of plywood are used. Owing to this, the market is expected to reach a value of more than USD 55 Bn by 2024. (Source: Ply Reporter)

MDF penetration



(Year: 2019. Source: Ply Reporter)

Growth drivers

Urbanisation: Urbanisation in India and a burgeoning demand for modular and compact furniture are expected to influence the growth of the furniture market.

Real estate sector growth: The growth in the services sector, which constituted more than 50% of the GDP (pre-lockdown figures), helped develop the realty sector in India. About 25% of the urban population live in homes with two rooms or more, while 45% live in houses with three rooms or less. About 16% live in single-room homes.

The office furniture segment caters to the commercial and office space. This segment has witnessed rapid growth in recent years, in line with the growth in the Indian economy and subsequent demand for office space. The thrust on real estate and office construction is expected to sustain, indicating continued growth for the furniture industry.

The contract segment caters primarily to hotels and its growth is consequently linked to growth in tourism and development of new hotels. There are around 1,200 hotels in India in the organised sector. More than 10% of these are in the 5-star and above categories.

E-retail sector: Rising investment in the retail sector by various national and international entities is anticipated to grow the furniture market in India.

Government policies: A number of government policies catalysed the market for interior infrastructure products. These comprised:

- 100% FDI policy for townships and settlements development project, attracting foreign investors.
- The Finance Ministry imposed a definitive anti-dumping duty on Plain Medium Density Fibre Board (MDF) imports from Vietnam and Indonesia. Anti-dumping duty on Plain MDF Board could be levied but only on boards with a thickness of 6mm or above, valid for five years.

Global exposure and the influencer-based market: The decision-making process in buying home furniture is largely influenced by the owner or family. For commercial establishments, interior designers and architects are frequently consulted for selecting aspects related to interiors including furniture. Upwardly mobile Indians are increasingly buying differently styled foreign furniture and employing interior designers to suggest/choose the right furniture. A major factor that has propelled the growth of the imported furniture market is the increasing exposure of Indians to global trends and lifestyles. Such exposure, coupled with increased disposable incomes, has caused more urban middle-class consumers to hire the services of interior decorators, for embellishing their houses. (Source: IBEF, Business Line, Market Watch)

Company overview

Greenpanel Industries Limited is the largest MDF and allied products manufacturers in India with a 27% share of the organised market. The Company offers a range of panel products, including MDF, wood floors, plywood, block boards, veneers and doors, etc.

Our MDF segment

There is a gradual shift in consumer sentiment towards MDF - 55% cheaper than premium plywood and 30% cheaper than mid-segment plywood.

Greenpanel's manufacturing unit at Uttarakhand was functional for 15 years before its demerger from Greenply.

Greenpanel products have been leaders in terms of quality.

Highlights

Greenpanel MDF provides superior density resulting increased product width, translating into better durability.

The Company invested in initiatives that moderated wastage on account of an optimum utilisation of raw materials, reduced rejects and enhanced capacity utilisation.

The Company manufactured and supplied single-core doors before graduating to double core doors (with an additional upper layer that increases product longevity)

The Company has an active kaizen culture, engaging everyone from the CEO to assembly line workers.

The Company's MDF plant invested in state-of-the-art German technology (Dieffenbacher).

The products from Greepanel's MDF plant address the 'A-GRADE' benchmark, higher than competition.

The Company engaged in aggressive clonal propagation to secure raw material access from within 100 km. from its manufacturing units.

The Company's operations are benchmarked around sustainable manufacturing practices.

Financial analysis

The financial statements of the Company were prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Amendment Rules, 2016.

Analysis of the profit and loss statement

Revenues: Revenues from operations reported a 45% growth from ₹571 cr in FY2018-19 to reach ₹830 cr in FY2019-20. Other operating incomes of the Company reported a 79% growth, mainly on account of an increase in incentives from the fulfilment of export obligations.

Expenses: Total other expenses of the Company increased by 39% from ₹180 cr in FY2018-19 to ₹250 cr due to increase in business volume by 45%. Raw material costs, accounting for a 46% share of the Company's revenues increased by 53% from ₹249 cr in FY2018-19 to ₹382 cr in FY2019-20, owing to an increase in the operational scale of the Company. Employees expenses accounting for a11%

Our plywood segment

The Company scaled the business by reaching out to 500+ dealers

Its products are available 209 cities and towns

Its plywood manufacturing unit in Rudrapur is one of the most advanced in India

It works closely with our trade partners, engaging in uniform pricing for dealers

It arranged engagement programmes with architects, carpenters and influencers

It conducted in-house educational programmes to enhance product portfolio awareness

Strengths

The Company uses 100% compost core stitched into plywood products, so that its bonding remains unharmed even after the finished product has been extensively used

It started using Southern Yellow Pine in blockboards, increasing product density and weight (from around 25 kgs to 32 kgs)

It operates pan-India; we are among the top players in the plywood sector

It works with an active pool of product influencers through the digital media

It is engaged in periodic shop-meets where its products are showcased to prospective buyers

share of the Company's revenues increased by 24% from ₹75 cr in FY2018-19 to ₹93 cr in FY2019-20.

Analysis of the Balance Sheet

Sources of funds

The capital employed by the Company was almost unchanged at ₹1,252 cr as on March 31, 2020 compared to ₹1,259 cr as on March 31, 2019, due to prudent working capital management. Return on capital employed, a measurement of returns derived from every rupee invested in the business, increased by 120 basis points from 3.6% in FY2018-19 to 4.9% in FY2019-20 due to proper utilisation of capital in business by generating significant increase in volumes.

The net worth of the Company increased by 3.5% from ₹680 cr as on March 31, 2019 to ₹697 cr as on March 31, 2020 owing to an increase in reserves and surpluses. The Company's equity share capital comprising 12,26,27,395 equity shares of Re. 1 each, remained unchanged during the year under review.

The long-term debt of the Company decreased by 11.8% to ₹470 cr as on March 31, 2020 from ₹533 cr as on March 31, 2019, owing to the timely repayment of loans. The Company repaid long-term loans of ₹89 cr. However, the closing balance of debt as on March 31, 2020 increased notionally by ₹26 cr on account of appreciation in EURO & USD against INR. Short-term borrowings comprising working capital loans increased from ₹45 cr as on March 31, 2019 to ₹73 cr as on March 31, 2020 due to 45% growth in topline. The debt-equity ratio of the Company stood at 0.78 in FY2019-20 compared to 0.85 in FY2018-19.

Finance costs of the Company increased by 99% from ₹24 cr in FY2018-19 to ₹48 cr in FY2019-20 following the repayment of long-term debts and increment of working capital loans. However, appreciation of EURO and USD against the INR resulted in an extensive notional forex loss, which was classified as finance costs along with a mark-to-market valuation of IRS contracts and hedging of foreign currency loan, amounting to ₹18 cr in FY2019-20. With the implementation of Ind AS 116 on leases, all operating leases with long tenure were reported as right to use of asset, and interest and depreciation reported instead of rental expense. Interest expense included the right to use of asset to the extent of 1 cr for FY2019-20. As such, effective cash interest cost for FY2019-20 was ₹28 cr instead of 48 cr. Similarly, effective cash interest cost for FY2018-19 was ₹20 cr instead of 24 cr due to notional impacts. The Company's interest cover stood at 1.51 in FY2019-20 (1.92 in FY2018-19).

Applications of funds

Fixed assets (gross) of the Company increased by 0.34% from ₹1,376 cr as on March 31, 2019 to ₹1,381 cr as on March 31, 2020. Depreciation on tangible assets increased by 23% from ₹50 cr in FY2018-19 to ₹61 cr in FY2019-20 owing to an increase in depreciation on fixed assets of Andhra unit for the full year in FY2019-20 compared to depreciation for 9 months in FY2018-19.

Investments

Non-current investments of the Company increased from ₹47 cr as on March 31, 2019 to ₹52 cr as on March 31, 2020 on account of an infusion of equity share capital in the Singapore subsidiary.

Working capital management

Current assets of the Company increased by 9% from ₹289 cr as on March 31, 2019 to ₹315 cr as on March 31, 2020 owing to the growing scale of business of the Company. The current and quick Ratios of the Company stood at 1.06 and 0.54, respectively in FY2019-20 compared to 1.06 and 0.58, respectively in FY2018-19.

Inventories, including raw materials, work-in-progress and finished goods, among others, increased by 18% from ₹131 cr as on March 31, 2019 to ₹154 cr as on March 31, 2020 owing to an increase in operations. The inventory cycle improved from 84 days of turnover equivalent in FY2018-19 to 68 days of turnover equivalent in FY2019-20.

Growing business volumes resulted in an increase of 35% in trade receivables from ₹52 cr as on March 31, 2019 to ₹71 cr as on March 31, 2020. More than 94% of the receivables were considered good. The Company contained its debtors' turnover cycle within 31 days of turnover equivalent in FY2019-20 compared to 33 days in FY2018-19.

Cash and bank balances of the Company decreased by 48% from ₹18 cr as on March 31, 2019 to ₹9 cr as on March 31, 2020.

Margins

Even with an increase in revenues by 45%, gross margins for FY2019-20 were 54% compared to 56% in FY2018-19 due to increase in raw material costs. The EBITDA margin of the Company declined by 30 basis points from 16.8% in FY2018-19 to 16.5% while the net profit margin of the Company declined by 570 basis points from 7.7% in FY2018-19 to 2.0% in FY2019-20. The EBITDA margin and net profit margin declined primarily due to extensive appreciation of foreign currency which impacted profitability by ₹18 cr under finance costs and ₹4 cr under foreign fluctuation expenses. EBITDA margin (excluding foreign currency losses/gains) improved by 197 basis points from 15.02% in FY2018-19 to 16.99% in FY2019-20.

Key ratios

Particulars	FY2018-19	FY2019-20
EBITDA/Turnover (%)	16.8%	16.5%
Debt-equity ratio	0.85	0.78
Return on equity (%)	6.5%	2.3%
Book value per share (₹)	55.5	56.8
Earnings per share (₹)	3.60	1.32
Debtors Turnover (days)	33	31
Inventory Turnover (days)	84	68
Interest Coverage Ratio	1.92	1.51
Current Ratio	1.06	1.06
Quick Ratio	0.58	0.54
GrossProfit Margin (%)	56%	54%
Net Profit Margin (%)	7.7%	2.0%

Information technology

At Greenpanel, IT is viewed as a key business enabler. The Company invested significantly in information technology. Greenpanel invested in the SAP HANA platform to derive real-time data analysis. Greenpanel implemented business intelligence tools to analyse data and create data visibility for informed decision-making. Greenpanel is using data leakage prevention to secure data. The Company is now adopting e-meetings over video conferences through Microsoft Teams amid the Covid pandemic and plans to go ahead with this culture to minimise travel and administration costs.

Our IT initiatives

SD WAN Implementation: Uses a centralised control function to securely and intelligently direct traffic across the WAN. This increases application performance and delivers a high quality user experience, resulting in increased business productivity and minimised downtime.

DMARC / BIMI Implementation: Makes it easy to identify spam and phishing messages and keep them out of Users' inboxes. By Implementing BIMI, recipients will see the Greenpanel logo next to their incoming email in their inbox, enhancing safety.

SAP application: By implementing Payment Collection Automation, the Company will minimise manual payment posting errors and provide better service. Credit Note Automation makes it possible to automatically generate credit notes in SAP without manual intervention. BI Reports implementation helps users access real-time data. Order Collection Platform will help customers place orders online, download invoices and account statements and check their scheme eligibility based on available slabs.

Human resources

Greenpanel's human resource practices helped reinforce market leadership. The Company invested in formal and informal training as well as on-the-job learning. It emphasised engagements with employees by providing an enriched workplace, challenging job profile and regular dialogues with the management. The Company enjoys one of the highest employee retention rates in the industry; it creates leaders from within, strengthening prospects. As on March 31, 2020, the Company's employee base stood at 1,859.

Our HR Initiatives

The Company implemented 9 Box Matrix for entire organisation (Performance versus Potential Matrix). It identified critical talent, implemented PIP Process for smooth exits, issued Smart ID cards in the COVID-19 environment and relaunched its e-magazine (Panel Talk and U Share Green Care).

Sustainability

The Company is focused on its long-term goal to create an operational model woven around sustainability – both economical and environmental. Its operational model is focused on the reduction of unsustainable environmental footprint, practices of conservation and a moderated consumption of resources. This is achieved through the Company's proactive measures, considerable investments in modern manufacturing resources, sound methodologies and a heightened sense of awareness.

Risk management

The risk management process is aimed at ensuring that management takes risk-informed decisions, with adequate consideration of actual and prospective risks, including medium and long term ones, within the framework of a comprehensive vision. Greenpanel's risk management policy helps to strengthen all management levels and functional and project areas that help the management to evaluate the risk and mitigate it to achieve corporate targets and value.

The biggest risk that the industry faced in the year under review was the economic effects of the coronavirus pandemic. The risks that the Company faced due to the lockdown affected the business (exports, retail, raw material procurement, capacity utilisation and distribution network).

The decline in consumer capacity and sentiment could affect sectors related to Greenpanel's business like real-estate, furniture retail, carpentry, hotel and hospitality, interior decoration firms, architecture firms etc. There is no clear guideline to mitigate such unforeseen risks, even as the Company expects to rebound following changes in trade and operational strategies.

Internal control systems and their adequacy

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

Cautionary statement

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward-looking statements' within the meaning of applicable securities laws and regulations.

Statutory Statement

Directors' Report

Dear members

Your Directors have pleasure in presenting their 3rd Annual Report on the business and operations of the Company along with the Audited Accounts of the Company for the Financial Year ended March 31, 2020.

Financial highlights

The financial performance of your Company, for the year ended March 31, 2020 is summarized below:

(₹ in lakhs)

Particulars	2019-20 Standalone	2019-20 Consolidated	2018-19 Standalone	2018-19 Consolidated
Revenue from Operations	85,979.39	87,656.62	58,731.41	59,911.39
Profit before finance charges, Tax, Depreciation/Amortization (PBITDA)	13,733.24	14,000.26	9,616.51	9,005.03
Less: Finance Charges	4,766.74	4,828.94	2,391.15	2,463.24
Profit before Depreciation/Amortization (PBTDA)	8,966.50	9,171.32	7,225.36	6,541.79
Less: Depreciation	6,537.86	6,916.54	5,031.60	5,303.34
Net Profit before Exceptional items and Tax	2,428.64	2,254.78	2,193.76	1,238.45
Exceptional items	1,083.74	1,083.74	-	-
Net Profit before Tax (PBT)	1,344.90	1,171.04	2,193.76	1,238.45
Provision for tax	(275.02)	(275.02)	(2,218.99)	(2,218.99)
Profit/(Loss) after Tax (PAT)	1,619.92	1,446.06	4,412.75	3,457.44
Balance brought forward from earlier year	4,407.56	3,452.25	(5.19)	(5.19)
Balance carried to Balance Sheet	6,027.48	4,898.31	4,407.56	3,452.25

Result of operations and the state of Company's affairs

During the year under review, your Company has achieved revenue from operation of ₹85,979.39 lakhs as against ₹58,731.41 lakhs in the previous year. Profit for the year 2019-20 was ₹1,619.92 lakhs as against ₹4,412.75 lakhs.

Exports during the year 2019-20 was ₹13,633.88 lakhs as against ₹5,701.51 lakhs during the previous year. Your Company is continuously trying to locate new export markets for its products and see good potential for growth in the exports business. As per the consolidated financial statements, the revenue from operations and profit for the year 2019-20 were ₹87,656.62 lakhs and ₹1,446.06 lakhs, respectively as against ₹59,911.39 lakhs and ₹3,457.44 lakhs in the previous year.

The Company has pioneering presence in India and has played a missionary role in creating a pan India market for MDF products. Being the leader in producing and dealing in MDF products your Company is the preferred partner of choice for a large number of real estate projects, offices and home builders. Your Company continues to focus on having a comprehensive product range, servicing clients at every point of the price spectrum and to retain and reinforce its market share under organised sector with a pan-India distribution network. Your Company is present across different price points to cater to the needs of all customers across the high-end, mid-market and value-for-money segments. The Company's pan-India distribution network ensures easy availability of products in almost every part of India.

Impact of Covid-19

Due to outbreak of COVID-19 which has been declared as a Pandemic by World Health Organization and subsequent lock down ordered by the Central and State Government(s) in India, the manufacturing facility of the Company at Rudrapur, Uttarakhand remained suspended from March 24, 2020 till May 26, 2020, and at Chittor, Andhra Pradesh from March 26, 2020 till May 21, 2020. In adherence to the safety norms prescribed by Government of India, the operations have been partially resumed as per Government guidelines in manufacturing units and offices. The same will be scaled up in accordance with the guidelines being issued by the respective States and due consideration for safety of employees.

This situation has disturbed the economic activity through interruption in manufacturing activities. Considering that the lockdown is being gradually lifted and economic activity resumes to its normal levels without further disruption, it is expected to achieve normalcy in operations from Q3 of FY 2020-2021. The Company has availed moratorium on some of the payments falling due between March and May 2020 in order to maintain proper liquidity position. During lockdown period revenues and profitability of the Company were adversely impacted. The exact impact on profitability is yet to be determined as on date. Although the overall demand of the products has been impacted for a short-term, but due to easing out of restriction in lockdown demand for the products is gradually recovering.

Outlook and expansion

The Company's outlook remains favourable on account of its product integration capabilities, increasing brand visibility, market and dealership expansion and the continuous support from its stakeholders. Wood panel market is one of the major verticals of the interior infrastructure, comprising materials used in building furniture. Such materials include plywood, engineered wood panels and decorative surface products. Your Company is currently operating primarily in the structural sphere of interior infrastructure domain with almost all the products in its basket catering to the structural needs of the customers. The demand for readymade furniture, manufactured with engineered panels like medium density fibreboards (MDF), is growing. The real estate industry is one of the most significant growth drivers for the plywood sector. Your Company is also focused on the value added products to improve the margin.

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

Indian furniture industry is one of the largest furniture markets in the world. It is primarily driven by a substantial middle-class population, rapid urbanisation, favourable demographics, increasing per capita income, improving lifestyle, and growing nuclear families. This will encourage strong demand growth for plywood, MDF and allied products. Reconstituted wood products, such as plywood, board and medium density fibreboards are likely to be used increasingly by consumers, real estate developers, furniture makers, hospital, railways, defence and hospitality industries are among other users. Innovations and use of technology shall help the wood industry to grow profitably, and leverage opportunities in the future. Going forward, there is an increasing shift being witnessed towards the organised sector owing to brand and quality awareness. With wider choice, product innovation and warranty, being offered by organised players, customers are putting more focus on this segment.

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

Composite Scheme of Arrangement & Listing of Shares

During the year under review the approval of the Hon'ble National Company Law Tribunal (NCLT), Guwahati Bench was received on June 28, 2019 to the Composite Scheme of Arrangement between Greenply Industries Limited and Greenpanel Industries Limited and their respective shareholders and creditors for demerger of the Transferred Business/Demerged Undertaking (as defined in the Scheme) of Greenply Industries Limited into Greenpanel Industries Limited with effect from the Appointed Date i.e. April 1, 2018. The said Scheme has become effective upon filing of copy of the Order of NCLT, Guwahati Bench, with concerned Registrar of Companies on July 1, 2019. In consideration of the demerger and transfer of the Demerged Undertaking, the Board of Directors of the Company issued and allotted 12,26,27,395 Equity Shares of Re. 1/- each to the shareholders of Greenply Industries Limited as of July 15, 2019 (record date) in the ratio of 1 (One) equity share of Re. 1.00 (Rupee One only) each in Greenpanel Industries Limited, credited as fully paid up for every 1 (One) equity share of Re. 1.00 (Rupee One only) each held by them in Greenply Industries Limited. The equity shares issued and allotted by Greenpanel Industries Limited pursuant to the Scheme got listed on BSE Limited with scrip code no. 542857 and National Stock Exchange of India Limited with symbol GREENPANEL as on October 23, 2019.

Subsidiary and Joint Venture

As on March 31, 2020, your Company has one overseas wholly owned subsidiary viz. Greenpanel Singapore Pte. Ltd., Singapore, engaged in the business of trading and marketing of panel products, wooden flooring & allied products.

Change(s) in the nature of business

There has been no change in the nature of business of the Company during the year under review.

Consolidated financial statements

For the period under review, the Company has consolidated the financial statements of its wholly owned subsidiary viz. Greenpanel Singapore Pte. Ltd., Singapore. In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, www.greenpanel.com. Further, as per fourth proviso of the said section, audited annual accounts of the subsidiary company has also been placed on the website of the Company, www.greenpanel.com. Shareholders interested in obtaining a copy of the audited annual accounts of the subsidiary company may write to the Company Secretary at the Company's registered office. Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, A statement containing salient features of the financial statements of subsidiary in form AOC -1 is annexed to this Report.

Credit Rating

During the financial year 2019-20, CARE Ratings Limited has assigned the credit rating "CARE BBB+; Stable" in respect of long-term bank facilities of ₹192.53 crores and "CARE BBB+; Stable/CARE A2" for short term bank facilities of ₹70.00 crores.

CARE has placed the ratings assigned to Greenpanel Industries Limited (Greenpanel) on credit watch with negative implications. The rating action follows the request for deferment of one instalment of term loan (not rated by CARE) due on April 15, 2020 extended by Landesbank Baden Wurttemberg (LBBW). Although LBBW has internally agreed for deferment, the same is subject to approval by the Insurance company, Euler Hermis.

Dividend

To conserve the resources of the Company, the Board has not recommended any dividend for the financial year 2019-20.

Transfer to Reserves

Your Directors do not propose to transfer any amount to General Reserve.

Share Capital

During the year under review, pursuant to the Composite Scheme of Arrangement the Company has cancelled its pre-demerger paid up share capital of 10,00,000 equity shares of ₹1 (one) each. Further, the Board of Directors of the Company at their meeting held on July 19, 2019 issued and allotted 12,26,27,395 Equity Shares of Re. 1/- each to the shareholders of Greenply Industries Limited as of July 15, 2019 (record date) in the ratio of 1 (One) equity share of Re. 1.00 (Rupee One only) each in Greenpanel Industries Limited, credited as fully paid up for every 1 (One) equity share of Re. 1.00 (Rupee One only) each held by them in Greenply Industries Limited, which duly got listed with BSE Limited and National Stock Exchange of India Limited on October 23, 2019.

Directors and Key Managerial Personnel

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Shobhan Mittal [DIN: 00347517] Managing Director & CEO, will retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re- appointment.

Mr. Rajesh Mittal, Director of the Company had resigned from the Board of Directors of the Company for not being able to devote time to the affairs of the Company, with effect from August 14, 2019.

Mr. Arun Kumar Saraf [DIN: 00087063] has been appointed as an Independent Director of the Company for a period of 5 consecutive years with effect from August 14, 2019 to August 13, 2024 based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors.

Mr. Banibrata Desarkar, Company Secretary and Compliance Officer had resigned from the Services of the Company, due to personal reason, with effect from February 1, 2020.

Mr. Lawkush Prasad (ACS:18675) has been appointed as the Company Secretary and Compliance Officer of the Company with effect from February 5, 2020, based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors.

None of the Directors of your Company is disqualified under the provisions of Section 164(2)(a) & (b) of the Companies Act, 2013 and a certificate dated June 15, 2020, received from M/s. T. Chatterjee & Associates, Company Secretaries certifying that none of the Directors on the Board of the Company have been debarred or disqualified from the appointment or continuing as Directors of the Companies by SEBI/Ministry of Corporate Affairs or any such statutory authority is annexed to the Corporate Governance Report.

In the current economic situation and business interruption due to COVID-19 and other exceptional circumstances, the Net Profit of the Company for the Financial Year 2019-20, in terms of the provisions of Section 198 of the Companies Act, 2013, is inadequate. Hence payment of remuneration to Mr. Shiv Prakash Mittal, Executive Chairman and Mr. Shobhan Mittal, Managing Director and CEO, in case of inadequate profit, requires approval of the Members, in accordance with Section II of Part II of Schedule V of the Companies Act, 2013.

The Nomination and Remuneration Committee and the Board of Directors of the Company in their respective meetings held on June 18, 2020, have approved payment of remuneration to Mr. Shiv Prakash Mittal, Executive Chairman and Mr. Shobhan Mittal, Managing Director and CEO, in case of inadequate profit, for financial years 2019-20 to 2021-22, in accordance with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 subject to approval of the Members.

Your Directors recommend approval of payment of remuneration to Mr. Shiv Prakash Mittal, Executive Chairman and Mr. Shobhan Mittal, Managing Director & CEO, in case of inadequate profit, for Financial Year 2019-20 to 2021-22, in accordance with Section II of Part II of Schedule V of the Companies Act, 2013.

Declaration by Independent Directors

The Independent Directors of the Company i.e. Mr. Salil Kumar Bhandari [DIN: 00017566], Ms. Sushmita Singha [DIN: 02284266], Mr. Mahesh Kumar Jiwrajka [DIN: 07657748] and Mr. Arun Kumar Saraf [DIN: 00087063] have given their declarations to the Company for the financial year 2019-20 that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Meetings of the Board of Directors

Seven (7) Board meetings were held during the financial year ended March 31, 2020. The details of the Board Meetings with regard to their dates and attendance of each of the Directors thereat have been provided in the Corporate Governance Report.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and other applicable provisions, the Independent Directors in their meeting held on February 04, 2020 have evaluated the performance of Non-Independent Directors of the Company, Board as a whole and assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board. The Board has carried out the Annual Performance Evaluation of the Directors individually as well as evaluation of the working of the Board as a whole. The criteria for evaluation are outlined below:

a. For Non Executive Independent Directors:
   - Knowledge and Skills
   - Professional conduct
   - Duties, role and functions
   - Rendering independent and unbiased opinion and judgements
   - Attendance and active participation in meetings of Board
   - Assistance in implementing corporate governance practices
   - Updation of skills and knowledge
   - Information regarding external environment
   - Understanding and assessment of Risk Management
   - Raising of concerns, if any, to the Board
   - Study of agenda in depth prior to Meeting
   - Contribution towards the formulation and implementation of strategy for achieving the goals of the Company

b. For Executive Directors:
   - Performance as Member
   - Working expertise
   - Evaluating Business Opportunity and analysis of Risk Reward Scenarios
   - Professional Conduct and Integrity
   - Sharing of Information with the Board
   - Attendance and active participation in the Board Meetings and Meetings of Members of the Company
   - Whether difference of opinion was voiced in the meeting
   - Assistance in implementing corporate governance practices
   - Review of integrity of financial information and risk management
   - Updation of skills and knowledge
   - Information regarding external environment
   - Raising of concerns, if any, to the Board
   - Ensures implementation of decisions of the Board
   - Ensures compliance with applicable legal and regulatory requirements
   - Alignment of Company's resources and budgets to the implementation of the organization's strategic plan
   - Creativity and innovations in creating new products
   - Understanding of the business and products of the Company

c. For Committees of the Board:
   - Adequate and appropriate written terms of reference
   - Volume of business handled by the committee set at the right level
   - Whether the committees work in an 'inclusive' manner
   - Effectiveness of the Board's Committees with respect to their role, composition and their interaction with the Board
   - Are the committees used to the best advantage in terms of management development, effective decision, etc.
   - Attendance and active participation of each member in the meetings
   - Review of the action taken reports and follows up thereon

d. For Board of Directors as a whole:
   - Setting of clear performance objectives and how well it has performed against them
   - Contribution to the testing and development and strategy
   - Contribution to ensuring robust and effective risk management
   - Composition of the board appropriate with the right mix of knowledge and skills sufficient to maximize performance in the light of future strategy
   - Effectiveness of inside and outside Board relationship
   - Responding to the problems or crisis that have emerged
   - Updation with latest developments in regulatory environments and the market in which the Company operates
   - Role and functioning of the Board on the matters
   - Framing Policies and procedures for statutory compliance, Internal Financial Control and safeguard the interest of the Company

The Directors have expressed their satisfaction with the evaluation process.

Familiarisation Programme

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

Auditors and their report

(i) Statutory Auditor:

The Shareholders of the Company at their 1st Annual General Meeting held on August 28, 2018 had approved appointment of M/s. S.S. Kothari Mehta & Co., Chartered Accountants (ICAI Firm Registration No. 000756N) as the Statutory Auditors of the Company to hold office for a term of 5 (five) consecutive years from the conclusion of 1st Annual General Meeting, until the conclusion of the 6th Annual General Meeting to be held in the calendar year 2023.

The Statutory Auditors' Report on the Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 forms part of this Annual Report. The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and, therefore, do not call for further clarification. There is no qualification, reservation, adverse remark or disclaimer by the Statutory Auditors in their Statutory Audit Report and hence, no explanation or comments of the Board is required in this regard.

(ii) Cost Auditor:

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

(iii) Secretarial Auditor:

The Board of Directors of the Company at their meeting held on November 07, 2019 had appointed M/s. T. Chatterjee & Associates, Practicing Company Secretaries having office at 152, S.P. Mukherjee Road, Kolkata-700026 for conducting the Secretarial Audit of the Company for the financial year 2019-20. The Secretarial Audit Report in form MR-3 for the financial year ended March 31, 2020 is annexed herewith as "Annexure-III"

(iv) Internal Auditor:

The Board of Directors of the Company at their meeting held on November 07, 2019 had appointed M/S KRA & Associates, Chartered Accountant, having office at FF-114, Vipul Business Park, Sohna Road, Sector-48, Gurgaon-122009 as Internal Auditor of the Company to carry out internal audit of branches, offices and manufacturing units of the Company. The Audit Committee periodically reviews the Internal Audit Report.

Audit Committee

As on March 31, 2020, the Audit Committee of the Company comprises of four Non-Executive Independent Directors viz. Mr. Salil Kumar Bhandari as Chairman, Mr. Mahesh Kr. Jiwrajka, Mr. Arun Kumar Saraf and Ms. Sushmita Singha and one Executive-Promoter Director Mr. Shiv Prakash Mittal as members. The Committee inter-alia reviews the Internal Control System, reports of Internal Auditors, compliance of various regulations and evaluates the internal financial controls and risk management system of the Company. The Committee also reviews at length the Financial Statements and Financial Results before they are placed before the Board. The terms of reference of the Committee and the details of the Committee meetings are provided in the Corporate Governance Report.

Nomination and Remuneration Committee

As on March 31, 2020, the Nomination & Remuneration Committee of the Company comprises of three Non-Executive Independent Directors viz. Mr. Salil Kumar Bhandari as Chairman, Mr. Mahesh Kumar Jiwrajka and Ms. Sushmita Singha as members. The terms of reference of the Committee and the details of the Committee meetings are provided in the Corporate Governance Report. The summary of Remuneration Policy of the Company prepared in accordance with the provisions of Section 178 of the Companies Act, 2013 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the Corporate Governance Report. This Policy applies to all the "Executives" of the Company and also extends to the remuneration of Non-Executive Directors, including principles of selection of the Independent Directors of the Company. The Board of Directors has adopted the remuneration policy at the recommendation of the Committee. This Policy shall be valid for all employment agreements entered into after the approval of the Policy and for changes made to existing employment agreements thereafter. The Remuneration Policy is uploaded on the website of the Company. The weblink is https://www.greenpanel.com/wp-content/uploads/2019/08/Remuneration-Policy.pdf.

Stakeholders Relationship Committee

As on March 31, 2020, the Stakeholders Relationship Committee of the Company comprises of one Non-Executive Independent Director viz. Mr. Mahesh Kumar Jiwrajka as Chairman and two Promoter Directors viz. Mr. Shiv Prakash Mittal and Mr. Shobhan Mittal as members. The terms of reference of the Committee and the details of the Committee meetings are provided in the Corporate Governance Report.

Vigil Mechanism

Pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a Vigil Mechanism Policy, for Directors & employees to report genuine concerns has been implemented. The Policy safeguard the whistle blowers to report the concerns or grievance and also provides direct access to the Chairman of the Audit Committee. The Policy is available on the website of the Company and the weblink of the same has been provided in the Corporate Governance Report.

Extract of the Annual Return

The extract of Annual Return as required under section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 in Form No. MGT-9, is annexed to this Report as "Annexure V".

Material changes and commitments

The Hon'ble Supreme Court of India vide its Order dated April 22, 2020 upheld the Special Leave Petition filed by the Union of India & Others in Civil Appeal Nos. 2256-2263 of 2020 arising out of S.L.P. (C) Nos. 28194-28201 of 2010 in respect of availing of area based exemption under Central Excise in respect of manufacturing unit of Greenply Industries Limited (Greenply) at Tizit, Nagaland. Greenply may have to refund maximum principal amount upto ₹2,709.36 lakhs in respect of excess refund received from the Excise Department for the period from April 1, 2008 to June 30, 2017. There is no penalty in this matter. The Central Excise Act, 1944 does not contain any provision requiring payment of interest on amount erroneously refunded.

However, as per Clause No. 4.3.6 of the Composite Scheme of Arrangement between Greenply and the Company duly approved by the Hon'ble National Company Law Tribunal, Guwahati Bench on June 28, 2019, the above principal amount of ₹2,709.36 lakhs along with interest, if any, shall be shared by Greenply and the Company. The Company has considered the possible outflow of ₹1,083.74 lakhs i.e. 40% of ₹2,709.36 lakhs as liability, based on the legal opinion and facts of present circumstances, and accordingly recognised the same as an exceptional expense in the Statement of Profit and Loss for the year under review.

Significant and material orders passed by the Regulators / Courts / Tribunals impacting the going concern status and the Company's operations in future

During the period under review, no significant and material order has been passed by any Regulators/Courts/Tribunals impacting the going concern status and the Company's operation in future.

Internal financial controls

Your Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting are operating effectively based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control. Your Company had laid down guidelines, policies, procedures and structure for appropriate internal financial controls across the Company. These control processes enable and ensure orderly and efficient conduct of the Company's business, including safeguarding of assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation & disclosure of financial statements. Review and control mechanisms are built in to ensure that such control systems are adequate and operating effectively.

A report on the internal financial controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 issued by M/s. S.S. Kothari Mehta & Co., Chartered Accountants (ICAI Firm Registration No. 000756N), Statutory Auditors of the Company is attached with their Independent Auditor's report and the same is self-explanatory.

Corporate Social Responsibility

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy describing the activities to be undertaken by the Company, which has been approved by the Board and is available on the Company's website. The weblink is https://www.greenpanel.com/wp-content/uploads/2019/11/Corporate-Social-Responsibility-Policy.pdf.

The composition of the Corporate Social Responsibility Committee is provided in the Annual Report on CSR Activities. The Average Net Profits of the Company for the last two financial years is ₹1,140.38 lakhs (approx.) and accordingly the prescribed CSR expenditure during the year under review shall not be less than ₹22.81 lakhs (approx.) (i.e. 2% of the Average Net Profits of the Company for the last two financial years). During the year under review the Company spent an amount of ₹34.53 lakhs on its CSR activities as against ₹22.81 lakhs required under Section 135 of the Companies Act, 2013, which shows its commitment towards social welfare over and above the legal requirements. The Annual Report on CSR Activities is annexed as "Annexure-IV" to this Report.

Insurance

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

Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013

Details of loans/advances granted, guarantees given and investments made during the year under review, covered under the provisions of Section 186 of the Companies Act, 2013 are annexed as Annexure – VIII.

Deposits

During the financial year 2019-20, the Company did not invite or accept any deposits from the public under Section 76 of the Companies Act, 2013.

Related Party Transactions

There are no materially significant related party transactions made by the Company which may have potential conflict with the interest of the Company. Related party transactions that were entered into during the year under review were on arm's length basis and were in ordinary course of business. The particulars of material related party transactions which were entered into on arm's length basis are provided in Form AOC-2 as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 which is annexed herewith as "Annexure-II". Further, suitable disclosure as required by the Accounting Standards (Ind AS 24) has been made in the notes to the Financial Statements. The Board has approved a Policy for material related party transactions which has been uploaded on the website of the Company. The weblink is https://www.greenpanel.com/wp-content/uploads/2019/11/Related-Party-Transactions-Policy.pdf

Corporate Governance Report

A detailed Report on Corporate Governance for the financial year 2019-20, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with Auditor's Certificate on compliance with the conditions of Corporate Governance is annexed to this report.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report for the financial year 2019-20, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given as a separate statement in the Annual Report.

CEO and CFO Certification

Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO and CFO certification as specified in Part B of Schedule II thereof is annexed to the Corporate Governance Report.

Code of Conduct for Directors and Senior Management Personnel

The Code of Conduct for Directors and Senior Management Personnel has been uploaded on the website of the Company. The Managing Director & CEO of the Company has given a declaration that all Directors and Senior Management Personnel concerned has affirmed compliance with the Code of Conduct with reference to the financial year ended on March 31, 2020. The declaration is annexed to the Corporate Governance Report.

Disclosure regarding compliance of applicable Secretarial Standards

The Company has complied with all the mandatory 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.

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

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

Directors' Responsibility Statement

In terms of provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, your directors state that:

(i) in the preparation of the annual financial statements for the financial year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

(ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

(iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) the directors have prepared the annual accounts on a going concern basis;

(v) the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and

(vi) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Fraud Reporting

There have been no frauds reported by the Auditors of the Company to the Audit Committee or the Board of Directors under sub-section (12) of section 143 of the Companies Act, 2013 during the financial year 2019-20.

Constitution of Internal Complaints Committee

Pursuant to the requirement under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, an Internal Complaints Committee has been duly constituted by the Company and the composition of the same is disclosed in the Policy on Prevention of Sexual Harassment at Workplace, which is uploaded on the website of the Company under the weblink https://www.greenpanel.com/wp-content/uploads/2020/01/POSH.pdf

Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

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

Particulars of employees

The information required under section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as "Annexure-VII".

Acknowledgements

Your Directors place on record their sincere thanks and appreciation for the continuing support of financial institutions, consortium of banks, vendors, clients, investors, Central Government, State Governments and other regulatory authorities. The Directors also place on record their heartfelt appreciation for the commitment and dedication of the employees of the Company across all the levels who have contributed to the growth and sustained success of the Company.

For and on behalf of the Board of Directors

Shiv Prakash Mittal
Executive Chairman
DIN: 00237242

Place: Kolkata
Date: June 18, 2020

Annexure to the Director's Report

ANNEXURE -I

Form AOC-1

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures
[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014]

Part "A": Subsidiaries		₹ in lakhs
1.	Name of the subsidiary	Greenpanel Singapore Pte. Ltd., Singapore
2.	Reporting period for the subsidiary	01.04.2019- 31.03.2020
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year	USD / INR = 75.59
4.	Share Capital	5,858.23
5.	Reserves & Surplus	(4,138.63)
6.	Total Assets	2,789.69
7.	Total Liabilities	1,070.09
8.	Investments	NIL
9.	Turnover	8,229.95
10.	Profit / (Loss) before taxation (including Other Comprehensive Income)	(185.02)
11.	Provision for taxation	NIL
12.	Profit / (Loss) after taxation (including Other Comprehensive Income)	(185.02)
13.	Proposed Dividend	NIL
14.	% of shareholding	100%

Notes:

1. Names of subsidiaries which are yet to commence operations – None

2. Names of subsidiaries which have been liquidated or sold during the year – None

Part B: Statement Pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

The Company has no Associate or Joint Venture Company.

For and on behalf of the Board of Directors

Shiv Prakash Mittal Executive Chairman (DIN: 00237242)	Shobhan Mittal Managing Director & CEO (DIN: 00347517)
V.Venkatramani Chief Financial Officer	Lawkush Prasad Company Secretary & AVP-Legal

Place: Kolkata
Date: June 18, 2020

Annexure to the Director's Report

ANNEXURE -II

Form No. AOC-2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

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

2. Details of material contracts or arrangement or transactions at arm's length basis are given below:

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	Mr. Shobhan Mittal, Managing Director & CEO	Drawing of monthly remuneration from Greenpanel Singapore Pte. Ltd., Singapore, wholly owned subsidiary of the Company, being office or place of profit within the meaning of Section 188(1) (f) of the Companies Act, 2013 read with Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014.	Not Applicable	Drawing of monthly remuneration of SGD 30000 (Singapore Dollar Thirty Thousand only) per month from Greenpanel Singapore Pte. Ltd., Singapore, wholly owned subsidiary (WOS) of the Company. Total Value of transactions (FY 2019-20): SGD 3,60,000	19.07.2019	Nil
2	Greenpanel Singapore Pte. Ltd., Singapore, wholly owned subsidiary	1. Sale of goods. 2. Purchase of goods. 3. Payment of Commission. 4. Investment in shares	For the financial year 2019-20	On mutually agreed terms sale value of up to ₹100 Crores, purchase value of upto ₹10 Crores, payment of Commission of upto ₹20 Crores and investment in shares upto 8.50 lakhs USD during financial year 2019-20.	19.07.2019 & 05.02.2020	Nil
3	Greenply Industries Limited	Sale of goods	For the financial year 2019-20	On mutually agreed terms sale value of up to ₹20 Crores	19.07.2019	Nil
4	Greenlam Industries Limited	Sale & Purchase of goods	For the financial year 2019-20	On mutually agreed terms sale and purchase value of up to ₹20 Crores each	19.07.2019	Nil

For and on behalf of the Board of Directors

Shiv Prakash Mittal
Executive Chairman
DIN: 00237242

Place: Kolkata
Date: June 18, 2020

Annexure to the Director's Report

ANNEXURE -III

Secretarial Audit Report

Form MR-3

(For the financial year ended March 31, 2020)

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members of
Greenpanel Industries Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Greenpanel Industries Limited, CIN-L20100AS2017PLC018272 (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.

Based on verification of the books, papers, minute books, forms, returns filed and other records maintained by the Company, information provided by the Company, its officers (including RTA), electronic records available in the official portal of the Ministry of Corporate Affairs www.mca.gov.in, portal of the Stock Exchanges, representation made by the Management and considering relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India on account of global pandemic Novel Coronavirus (COVID 19), we report that in our opinion, the Company has during the audit period ended on March 31, 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 audit period ended on March 31, 2020 according to the provisions of:

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

ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;(applicable to the Company from 23-10-2019)

iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (applicable to the Company from 23-10-2019)

iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v) Secretarial Standards as prescribed by Institute of Company Secretaries of India.

vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company ; (applicable to the Company from 23-10-2019) on 23-10-2019 equity shares of the Company are listed on the BSE Ltd and National Stock Exchange Ltd prior to listing of shares Secretarial Audit under Section 204 of the Act was not applicable to the Company.

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2018 and amendments from time to time ; (not applicable to the Company during audit period)

   d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation 2008 ; (not applicable to the Company during audit period)

   e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; (not applicable to the Company during audit period)

   f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ; (not applicable to the Company during audit period) and

   g. The Securities and Exchange Board of India (Buyback of Securities) Regulations 2018 ; (not applicable to the Company during audit period)

vii) Management of the Company represented us that fiscal, labour and environmental laws and other Statutes which are applicable to such type of companies, are complied.

viii) We have also examined compliance of the applicable clauses of the following:

   a. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

   b. The Listing Agreements entered into by the Company with BSE Ltd and National Stock Exchange Ltd read with the provisions of the Securities and Exchange Board of India (SEBI) [Listing Obligations & Disclosure Requirements] Regulations 2015;

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

We report that:

a) Vide Order dated June 28, 2019 of the Guwahati bench of the Hon'ble National Company Law Tribunal approved the Composite Scheme of Arrangement between Greenply Industries and Greenpanel Industries Ltd. for transfer of the demerged undertaking, in terms of the sanctioned scheme the Company allotted 122627395 equity shares of Re.1/- each in the ratio of 1:1 to the existing shareholders of Greenply Industries Ltd.

b) The Equity Shares of the Company are listed and admitted to dealings on the BSE Limited and National Stock Exchange of India Limited with effect from 23-10-2019.

c) The Company has made an application pursuant to Section 196 read with Schedule V of the Companies Act, 2013, for appointment of Mr. Shobhan Mittal as Managing Director & CEO of the Company to the Central Government for its approval under SRN: R16286213, dated 26-11-2019, approval is awaited.

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 other than those held at shorter notice 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) As per the minutes, the decisions at the Board meetings were taken unanimously.

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, no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standard etc.

For T. Chatterjee & Associates
Company Secretaries
FRN No. - P2007WB067100

Binita Pandey, Partner
ACS : 41594, CP : 19730
UDIN A041594B000341905

Place: Kolkata
Date: June 15, 2020

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

'Annexure A'

To,
The Members of
Greenpanel Industries 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. Due to global pandemic of Novel Coronavirus (COVID 19), Advisory dated 05-03-2020 issued by the Ministry of Health and Family Welfare, Government of India and lockdown declared by the governments, the audit of the records were carried out on the basis of data and information provided by the Company in electronic mode.
4. Where ever 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 is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For T. Chatterjee & Associates
Company Secretaries
FRN No. - P2007WB067100

Binita Pandey, Partner
ACS : 41594, CP : 19730
UDIN A041594B000341905

Place: Kolkata
Date: June 15, 2020

Annexure to the Director's Report

ANNEXURE -IV

Annual Report on Corporate Social Responsibility (CSR) Activities for the year ended March 31, 2020

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

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the weblink to the CSR Policy and Projects or Programmes.

Brief outline of the CSR Policy

Greenpanel Industries Limited believes that as a responsible corporate citizen, it has a duty towards the society, environment and the Country where it operates. The Company's sense of responsibility (which goes beyond just complying with operational and business statutes) towards the community and environment, both ecological and social, in which it operates is known as corporate social responsibility. The Company recognizes that by contributing towards the same, it is not doing any philanthropy but is in fact the very basis of doing sustainable profitable business. In view of the above the Company has formulated its Corporate Social Responsibility Policy ("Policy") with objective to integrate the business processes with social processes and to guide the Company and its people to empathize with social activities also. The Company believes that CSR Policy is the Company's faith in socially inclusive and sustainable business as the way of doing business.

Priority Projects

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

i. Promoting education including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;

ii. Eradicating hunger, poverty and malnutrition, promoting healthcare including preventive healthcare and sanitization and making available safe drinking water;

iii. Rural Development Projects

Web link to the CSR Policy of the Company:
https://www.greenpanel.com/wp-content/uploads/2019/11/Corporate-Social-Responsibility-Policy.pdf

2. Composition of the CSR Committee

The Committee members are as follows:

i. Ms. Sushmita Singha - Chairperson (Independent Director)

ii. Mr. Shiv Prakash Mittal – Member (Executive Director)

iii. Mr. Shobhan Mittal – Member (Managing Director & CEO)

3. Average net profit of the Company for last two financial years:

₹1,140.38 lakhs

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above):

₹22.81 lakhs

5. Details of CSR spent during the financial year:

i. Total amount to be spent for the financial year: ₹22.81 lakhs

ii. Amount unspent, if any: NIL

iii. Manner in which the amount spent during the financial year 2019-20 is detailed below:

S No.	CSR Project or Activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency *
1	Mobile Medical Van (MMV) to provide basic diagnostic, medicine, curative, referral and counselling services to the rural population, with the aim of improving access to medical services in the remote areas as well as raising the level of awareness among the community towards healthy and hygienic living.	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water	Healthcare Project through Mobile Medical Van (MMV) in the nearby villages of Chittoor, Andhra Pradesh	₹10,00,000/- for the period 2019-20	Direct Expenditure: ₹12,47,083/-	₹ 12,47,083/-	Direct

S No.	CSR Project or Activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency *
2	Pure Drinking Water	-Do-	Installation of R.O. plant in the villages nearby to Chittoor, Andhra Pradesh	₹1,00,000/- for the period 2019-20	Direct Expenditure: ₹1,74,640/-	₹1,74,640/-	Direct
3	Contribution for the infrastructure support for setting up of Water Pipe	-Do-	Infrastructure support like supply of water pipe for setting up of new water pipe project of local municipal corporation of Chittoor, Andhra Pradesh	₹6,00,000/- for the period 2019-20	Direct Expenditure: ₹14,21,820/-	₹14,21,820/-	Direct
4	Vocational Skill Development in the domain of Carpentry	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Gurgaon, Haryana	₹6,00,000/- for the period 2019-20	Direct Expenditure: ₹6,09,855/-	₹6,09,855/-	Direct
	TOTAL			₹23,00,000/-	₹34,53,398/-	₹34,53,398/-	

6. In case the Company has failed to spend the two percent of the average net profits of the last two financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report:

The Company has spent the required amount on CSR Activities

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 implementation and monitoring of the CSR Policy is in Compliance with CSR Objectives and Policy of the Company.

On behalf of the Company and the CSR Committee

Sushmita Singha
Independent Director & Chairperson of CSR Committee
DIN: 02284266

Place: New Delhi
Date: June 18, 2020

Annexure to the Director's Report

ANNEXURE -V

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on financial year ended on March 31, 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:

CIN	L20100AS2017PLC018272
Registration Date	December 13, 2017
Name of the Company	GREENPANEL INDUSTRIES LIMITED
Category / Sub-Category of the Company	Public Company limited by shares
Address of the Registered office and contact details	Makum Road, Tinsukia – 786 125, Assam Phone No.- 033-40840600 Fax No. 033-24645525
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Maheshwari Datamatics Pvt. Ltd. 23, R.N. Mukherjee Road, 5th Floor, Kolkata - 700 001 Phone No. 033-2248-2248 E mail: 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 shall be stated:

Sl. No.	Name and Description of main products/ services	NIC Code (2008) of the Product/ service	% to total turnover of the Company
1	Medium Density Fibreboard	1621	74.05%
2	Plywood	1621	25.95%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Greenpanel Singapore Pte. Ltd., Singapore	Not Applicable	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 (as on April 01, 2019)				No. of Shares held at the end of the year (as on March 31, 2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters & Promoter Group									
(1) Indian									
a) Individual/ HUF	-	6	6	0.001	16659180	-	16659180	13.59	13.58
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	999994	999994	99.999	48450820	-	48450820	39.51	-60.48

Category of Shareholders	No. of Shares held at the beginning of the year (as on April 01, 2019)				No. of Shares held at the end of the year (as on March 31, 2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):	-	1000000	1000000	100	65110000	-	65110000	53.10	-46.90
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1) +(A) (2)	-	1000000	1000000	100	65110000	-	65110000	53.10	-46.90
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	20583295	-	20583295	16.78	16.78
b) Banks/FI	-	-	-	-	535	-	535	0.0004	0.0004
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	58644	-	58644	0.04	0.04
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds									
i) Others:	-	-	-	-	-	-	-	-	-
i. Alternate Investment Fund	-	-	-	-	2142976	-	2142976	1.75	1.75
ii. Foreign Portfolio Investors	-	-	-	-	13171594	-	13171594	10.74	10.74
Sub-total (B)(1):	-	-	-	-	35957044	-	35957044	29.32	29.32
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	1362891	8000	1370891	1.12	1.12
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	-	-	-	-	9870145	61870	9932015	8.10	8.10
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	-	-	-	-	5011096	-	5011096	4.09	4.09
c) Others:									
i. NBFCs registered with RBI	-	-	-	-	655	-	655	0.0005	0.0005
ii. IEPF Authority	-	-	-	-	30185	-	30185	0.02	0.02
iii. Clearing Member	-	-	-	-	115587	-	115587	0.09	0.09
iv. Non-Resident Individual	-	-	-	-	1341359	-	1341359	1.09	1.09
v. Trusts	-	-	-	-	118688	-	118688	0.10	0.10
vi. Foreign Company	-	-	-	-	3639875	-	3639875	2.97	2.97
Sub-total (B)(2): -	-	-	-	-	21490481	69870	21560351	17.58	17.58
Total Public Shareholding (B) = (B) (1) + (B)(2)	-	-	-	-	57447525	69870	57517395	46.90	46.90
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	1000000	1000000	100	122557525	69870	122627395	100	-

(ii) Shareholding of Promoters & Promoter Group:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (April 01, 2019)			Shareholding at the end of the year (March 31, 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	Shobhan Mittal	1	0.0001	-	10588380	8.63	-	8.63
2	Rajesh Mittal	1	0.0001	-	3079900	2.51	-	2.51
3	Santosh Mittal	1	0.0001	-	1465900	1.20	-	1.20
4	Shiv Prakash Mittal	1	0.0001	-	755000	0.62	-	0.62
5	Karuna Mittal	-	-	-	680000	0.55	-	0.55
7	Sanidhya Mittal	1	0.0001	-	90000	0.07	-	0.07
8	Chitwan Mittal	1	0.0001	-	-	-	-	(0.0001)
9	Greenply Industries Ltd.	999994	99.999	-	-	-	-	(99.999)
10	S.M. Management Pvt. Ltd.	-	-	-	31626965	25.79	-	25.79
11	Prime Holdings Pvt. Ltd.	-	-	-	13332800	10.87	-	10.87
12	Vanashree Properties Pvt.Ltd.	-	-	-	3116055	2.54	-	2.54
13	Bluesky Projects Private Limited	-	-	-	375000	0.31	-	0.31
	Total	1000000	100.00	-	65110000	53.10	-	(46.90)

(iii) Change in Promoters' & Promoter Group Shareholding:

Sl. No.	Particulars	Shareholding at the beginning of the year (April 01, 2019)		Cumulative Shareholding during the year (April 01, 2019 to March 31, 2020)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	1000000	100	-	-
	Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease:				
	Cancellation of previous shares & allotment of fresh shares pursuant to Demerger of Company vide NCLT (Guwahati) Order	-	-	62575000	51.03
	On 20.12.2019 acquired 640000 shares	-	-	63215000	51.56
	On 20.12.2019 acquired 870000 shares	-	-	64085000	52.26
	On 14.02.2020 acquired 1025000 shares	-	-	65110000	53.10
	At the end of the year	-	-	65110000	53.10

Note: The date(s) of acquisition / transfer of shares mentioned above are the quarter-end/weekly benpos date.

(iv) Shareholding Pattern of top ten Shareholders (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	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	JWALAMUKHI INVESTMENT HOLDINGS	-	-	-	-
	At the beginning of the year				
	Changes during the year:				
	Allotment of shares pursuant to Demerger of Company	-	-	11787720	9.61
	At the end of the year	-	-	11787720	9.61
2	HDFC SMALL CAP FUND				
	At the beginning of the year	-	-	-	-

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Changes during the year:				
	Allotment of shares pursuant to Demerger of Company	-	-	10297455	8.40
	On 08.11.2019 transferred 531500 shares	-	-	9765955	7.96
	On 15.11.2019 transferred 306355 shares	-	-	9459600	7.71
	On 22.11.2019 transferred 172600 shares	-	-	9287000	7.57
	On 20.12.2019 transferred 70300 shares	-	-	9216700	7.52
	On 27.12.2019 transferred 124100 shares	-	-	9092600	7.41
	On 03.01.2020 transferred 43000 shares	-	-	9049600	7.38
	On 10.01.2020 transferred 40000 shares	-	-	9009600	7.35
	On 07.02.2020 transferred 80585 shares	-	-	8929015	7.28
	On 14.02.2020 transferred 1128000 shares	-	-	7801015	6.36
	On 28.02.2020 transferred 60000 shares	-	-	7741015	6.31
	On 06.03.2020 transferred 29004 shares	-	-	7712011	6.29
	At the end of the year	-	-	**7712011**	**6.29**
3	**IDFC STERLING VALUE FUND**				
	At the beginning of the year	-	-	-	-
	Changes during the year:				
	Allotment of shares pursuant to Demerger of Company	-	-	4570000	3.73
	On 29.11.2019 acquired 114 shares	-	-	4570114	3.73
	On 06.12.2019 acquired 15591 shares	-	-	4585705	3.74
	On 13.12.2019 acquired 14295 shares	-	-	4600000	3.75
	On 17.01.2020 acquired 40000 shares	-	-	4640000	3.78
	On 24.01.2020 transferred 22466 shares	-	-	4617534	3.77
	On 31.01.2020 acquired 2466 shares	-	-	4620000	3.77
	On 07.02.2020 acquired 29065 shares	-	-	4649065	3.79
	On 28.02.2020 acquired 10935 shares	-	-	4660000	3.80
	On 06.03.2020 acquired 90000 shares	-	-	4750000	3.87
	On 13.03.2020 acquired 250000 shares	-	-	5000000	4.08
	At the end of the year	-	-	**5000000**	**4.08**
4	**SBI CONSUMPTION OPPORTUNITIES FUND**				
	At the beginning of the year	-	-	-	-
	Changes during the year:				
	Allotment of shares pursuant to Demerger of Company	-	-	5359307	4.37
	On 01.11.2019 transferred 74920 shares	-	-	5284387	4.31
	On 08.11.2019 transferred 846132 shares	-	-	4438255	3.62
	On 13.12.2019 transferred 25638 shares	-	-	4412617	3.60
	On 20.12.2019 transferred 672740 shares	-	-	3739877	3.05
	On 27.12.2019 transferred 654604 shares	-	-	3085273	2.52
	On 14.02.2020 acquired 1550000 shares	-	-	4635273	3.78
	At the end of the year	-	-	**4635273**	**3.78**
5	**WESTBRIDGE CROSSOVER FUND, LLC**				
	At the beginning of the year	-	-	-	-
	Changes during the year:				
	Allotment of shares pursuant to Demerger of Company	-	-	**3639875**	**2.97**
	At the end of the year	-	-	**3639875**	**2.97**
6	**TATA INDIA CONSUMER FUND**				
	At the beginning of the year	-	-	-	-
	Changes during the year:				
	Allotment of shares pursuant to Demerger of Company	-	-	3883900	3.17
	On 15.11.2019 transferred 493900 shares	-	-	3390000	2.76

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	On 07.02.2020 transferred 175000 shares	-	-	3215000	2.62
	On 14.02.2020 transferred 1027500 shares	-	-	2187500	1.78
	At the end of the year	-	-	**2187500**	**1.78**
7	**MAURYAN FIRST**				
	At the beginning of the year	-	-	-	-
	Changes during the year:				
	Allotment of shares pursuant to Demerger of Company	-	-	670753	0.55
	On 01.11.2019 acquired 235000 shares	-	-	905753	0.74
	On 08.11.2019 acquired 691416 shares	-	-	1597169	1.30
	On 15.11.2019 acquired 115000 shares	-	-	1712169	1.40
	On 22.11.2019 acquired 109812 shares	-	-	1821981	1.49
	On 29.11.2019 acquired 27912 shares	-	-	1849893	1.51
	On 17.01.2020 acquired 55000 shares	-	-	1904893	1.55
	On 13.03.2020 acquired 50000 shares	-	-	1954893	1.59
	On 27.03.2020 acquired 399 shares	-	-	1955292	1.59
	On 31.03.2020 acquired 30669 shares	-	-	1985961	1.62
	At the end of the year	-	-	**1985961**	**1.62**
8	**MANGAL BHANSHALI**				
	At the beginning of the year	-	-	-	-
	Changes during the year:				
	Allotment of shares pursuant to Demerger of Company	-	-	1225000	1.00
	At the end of the year	-	-	**1225000**	**1.00**
9	**LATA BHANSHALI**				
	At the beginning of the year	-	-	-	-
	Changes during the year:				
	Allotment of shares pursuant to Demerger of Company	-	-	1000000	0.82
	At the end of the year	-	-	**1000000**	**0.82**
10	**SAJJAN BHAJANKA**				
	At the beginning of the year	-	-	-	-
	Changes during the year:				
	On 01.11.2019 acquired 600000 shares	-	-	600000	0.49
	On 20.03.2020 acquired 5793 shares	-	-	605793	0.49
	On 27.03.2020 acquired 101759 shares	-	-	707552	0.58
	At the end of the year	-	-	**707552**	**0.58**
11	**RELIANCE CAPITAL TRUSTEE CO LTD. A/C RELIANCE VALUE FUND**				
	At the beginning of the year	-	-	-	-
	Changes during the year:				
	Allotment of shares pursuant to Demerger of Company	-	-	917398	0.75
	On 10.01.2020 transferred 43459 shares	-	-	873939	0.71
	On 17.01.2020 transferred 211128 shares	-	-	662811	0.54
	At the end of the year (or on the date of separation, if separated during the year)	-	-	**662811**	**0.54**
12	**VALLABH ROOPCHAND BHANSHALI**				
	At the beginning of the year	-	-	-	-
	Changes during the year:				
	Allotment of shares pursuant to Demerger of Company	-	-	1036239	0.85
	On 29.11.2019 transferred 11582 shares	-	-	1024657	0.84
	On 06.12.2019 transferred 30418 shares	-	-	994239	0.81
	On 20.12.2019 transferred 249094 shares	-	-	745145	0.61
	On 27.12.2019 transferred 219160 shares	-	-	525985	0.43
	On 17.01.2020 transferred 63775 shares	-	-	462210	0.38

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	On 24.01.2020 transferred 161604 shares	-	-	300606	0.25
	On 14.02.2020 transferred 300606 shares	-	-	-	-
	At the end of the year	-	-	-	-

Note: The date(s) of acquisition / transfer of shares mentioned above are the quarter-end/weekly benpos date.

Ceased to be in the list of Top 10 shareholders as on March 31, 2020. The same have been reflected above since shareholders were among the Top 10 shareholders as on date of listing i.e. October 23, 2019.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2019)		Cumulative Shareholding during the year (01.04.2019-31.03.2020)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	**Mr. Shiv Prakash Mittal, Executive Chairman**				
	At the beginning of the year	1	0.0001	-	-
	Changes during the year:				
	Cancellation of earlier shares held pursuant to Demerger of Company vide NCLT (Guwahati) Order dated June 28, 2019	-	-	-	-
	On 22.11.2019 acquired 185000 shares	-	-	185000	0.15
	On 27.12.2019 acquired 570000 shares			755000	0.62
	At the End of the year	-	-	**755000**	**0.62**
2	**Mr. Shobhan Mittal, Managing Director & CEO**				
	At the beginning of the year	1	0.0001	-	-
	Changes during the year:				
	Cancellation of earlier shares held & allotment of fresh shares pursuant to Demerger of Company vide NCLT (Guwahati) Order dated June 28, 2019	-	-	739000	0.60
	On 22.11.2019 acquired 9849380 shares	-	-	10588380	8.63
	At the End of the year	-	-	**10588380**	**8.63**
3	**Mr. Salil Kumar Bhandari, Independent Director**				
	At the beginning of the year	-	-	-	-
	Changes during the year:				
	On 14.02.2020 acquired 5000 shares	-	-	5000	0.00
	At the End of the year	-	-	**5000**	**0.00**
4	**Mr. Mahesh Kumar Jiwrajka, Independent Director**				
	At the beginning of the year	-	-	-	-
	Changes during the year	-	-	-	-
	At the End of the year	-	-	-	-
5	**Ms. Sushmita Singha, Independent Director**				
	At the beginning of the year	-	-	-	-
	Changes during the year	-	-	-	-
	At the End of the year	-	-	-	-
6	**Mr. Arun Kumar Saraf, Independent Director**				
	At the beginning of the year	-	-	-	-
	Changes during the year	-	-	-	-
	At the End of the year	-	-	-	-
7	**Mr. Vishwanathan Venkatramani, Chief Financial Officer**				
	At the beginning of the year	-	-	-	-
	Changes during the year:				

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2019)		Cumulative Shareholding during the year (01.04.2019-31.03.2020)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Allotment of fresh shares pursuant to Demerger of Company vide NCLT (Guwahati) Order dated June 28, 2019	-	-	10	0
	On 27.12.2019 acquired 40000 shares			40010	0.03
	On 14.02.2020 acquired 16349 shares			56359	0.04
	At the End of the year	-	-	**56359**	**0.04**
8	**Mr. Lawkush Prasad, Company Secretary & AVP-Legal**				
	At the beginning of the year	-	-	-	-
	Changes during the year	-	-	-	-
	At the End of the year	-	-	-	-

Note: The date(s) of acquisition / transfer of shares mentioned above are the quarter-end/weekly benpos date.

V. INDEBTEDNESS

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

(₹in lakhs)

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	55,552.32	2,304.99	-	**57,857.31**
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	87.00	19.27	-	**106.27**
Total (i+ii+iii)	**55,639.32**	**2,324.26**	**-**	**57,963.58**
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	395.19	1927.37	-	**2322.56**
Net Change	**395.19**	**1927.37**	**-**	**2322.56**
Indebtedness at the end of the financial year				
i) Principal Amount	55,091.02	387.93	-	**55,478.95**
ii) Interest due but not paid				
iii) Interest accrued but not due	153.11	8.96	-	**162.07**
Total (i+ii+iii)	**55244.13**	**396.89**	**-**	**55641.02**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Shiv Prakash Mittal, Executive Chairman	Shobhan Mittal, Managing Director & CEO	
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	108.00	60.00	**168.00**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	9.73	**9.73**
	(c) Profits in lieu of salary under Section 17(3) Income- tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-

4	Commission			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5.	Others (Contribution to Provident Fund)	10.80	7.20	18.00
	Total (A)	118.80	76.93	195.73
	Ceiling as per the Act *	-	-	-

* Being 5% of Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013.

The remuneration paid to executive Directors are within the limit as prescribed under Section II of Part II of Schedule V of the Companies Act, 2013 in case of inadequate profit.

B. Remuneration to other directors:

(₹ in lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors				
		Mr. Salil Kumar Bhandari, Independent Director	Mr. Mahesh Kumar Jiwrajka, Independent Director	Ms. Sushmita Singha, Independent Director	Mr. Arun Kumar Saraf, Independent Director	Total Amount
1	Independent Directors					
	• Fee for attending board and committee meetings	6.30	4.70	6.70	1.70	19.40
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (1)	6.30	4.70	6.70	1.70	19.40
2	Other Non- Executive Directors					
	• Fee for attending board and committee meetings	-	-	-		-
	• Commission	-	-	-		-
	• Others, please specify	-	-	-		-
	Total (2)	-	-	-		-
	Total (B) = (1 + 2)	6.30	4.70	6.70	1.70	19.40
	Total Managerial Remuneration***					215.13
	Overall Ceiling as per the Act****					-

***Total remuneration paid to Managing Director & CEO, Executive Chairman and other Independent Directors (being total of A & B)

****Being 11% of net profits of the Company calculated as per Section 198 of the Companies Act 2013

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. V. Venkatramani, Chief Financial Officer	Mr. Banibrata DeSarkar, Company Secretary & Vice President-Legal (Resigned w.e.f. 01.02.2020)	Mr. Lawkush Prasad, Company Secretary & AVP-Legal (Appointed w.e.f. 05.02.2020)	Total
1	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	103.80	17.60	3.67	125.07
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-	-

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. V. Venkatramani, Chief Financial Officer	Mr. Banibrata DeSarkar, Company Secretary & Vice President-Legal (Resigned w.e.f. 01.02.2020)	Mr. Lawkush Prasad, Company Secretary & AVP-Legal (Appointed w.e.f. 05.02.2020)	Total
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others- Provident Fund	5.12	1.00	0.21	6.33
5.	Others, please specify	-	-	-	-
	Total	108.92	18.60	3.88	131.40

Note: Mr. V. Venkatramani and Mr. Banibrata Desarkar had been appointed as Key Managerial Personnel w.e.f. July 19, 2019. Since they were associated with the Company from previous year, the remuneration for FY 2019-20 has been presented for full year i.e. from April 01, 2019 to March 31, 2020 or till continuation of employment.

VII. Penalties/Punishment/Compounding of Offences

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board of Directors

Shiv Prakash Mittal
Executive Chairman
DIN: 00237242

Place: Kolkata
Date: June 18, 2020

Annexure to the Director's Report

ANNEXURE -VI

Information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 pertaining to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

A. Conservation of energy

i. Steps taken or impact on conservation of energy:

- Motor feeders are equipped with frequency drives to optimize the output with reduced power consumption.
- ESP hopper vibrator control changed from micro controller to PLC for optimizing the operation time in turn reduction in energy consumption.
- Material feeding conveyors are programmed in such a way that, if it runs without material then it stops automatically.
- Press heating thermic fluid temperature reduced resulting in increase in board moisture and conservation of thermal energy.
- Fibre dryer fan speed reduced from 75 to 70 % resulting in saving of power consumption.
- Energy plant furnace dilution air fan speed optimised after several trials for optimum utilisation of energy.
- Deaerator makeup pumps utilisation optimised to one pump running instead of two and kept two pumps stand by.
- Purge air blowers kept off when ESP inlet temperature falls below 250 C during hot box up and start-up.
- Energy consumption at various Equipments are being monitored & Controlled with the help of energy meters installed.
- Plant productivity increased in turn saving of energy by following,
  - o Production Line stabilization
  - o Optimizing production Plan & Market orders.
  - o Operational & service team skill level advancement
  - o Application of 6S and Lean Manufacturing approach
- Water Treatment plant (WTP) RO reject water recycled to raw water to reduce raw water consumption in turn reduction in power consumption.
- WTP UF backwash water recycled to WTP pre-treatment process to reduce raw water consumption in turn reduction in ETP load + reduction in power consumption
- RO transfer pump shifted from 10KL tank to 50KL tank for minimising WTP RO running time to optimise the power consumption.
- Tied up with brick manufacturer for usage of fly ash generated from the Energy Plant. Cost saved by utilizing brick manufacturer vehicles instead of company tractor trolley for the purpose.

ii. Steps taken for utilising alternate sources of energy:

- Company is exploring feasibility of utilizing alternate source of energy at its manufacturing units. Ex: Solar Powered Parking Sheds, Solar Ponds
- Organization is very focused on Sustainable development and in line with this the existing manufacturing facility in Andhra Pradesh accredited with the prestigious IGBC Green Factory Building Gold rating system for the project

iii. Capital Investment on energy conservation equipment:

- Rainwater Harvesting: The project has provided massive rain water harvesting tanks (ponds) to collect the runoff generated at site. The Collected rainwater will be reused within the site for various purposes. The total rain water harvesting capacity of system is 80,000 CUM. In the FY 2019-20 constructed one new pond of capacity 50000 CUM, so now the total Rain water storage pond capacity is 130000 CUM
- Introduced vibro screen in chip wash process, also modified scrap drainer due to which most of the sludge removed here in chip wash area itself due to which load on ETP came down drastically. Benefits are,
  - o Blower RPM reduced after several trials for optimum utilisation of energy
  - o Reduction in Centrifuge running time

  Slurry transferring rate minimised for optimum utilisation of energy.

B. Technology absorption

i. The efforts made towards technology absorption

- Use of "New generation" refiner segments to achieve high throughput and low power consumption
- We are also planning to introduce Smart wax system to reduce wax consumption and also uniform distribution of wax across fibre
- We are planning to test formalin catcher on our MDF boards for reducing emission in final product.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution

- Low density MDF board being sold in export market regularly.
- Critical imported spares are being developed indigenously thus savings in time & cost.
- We are closely monitoring the consumption of critical resources, raw materials, Energy consumption and quality of the product in the form of DASH BOARD and controlling the same and thereby reviewing the numbers on periodic basis with respect to the "International Benchmark"

iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

a. the details of technology imported: The Company did not have the need to import technology or foreign technical collaborations, but the Company had guidance from technical experts as well from the foreign machinery suppliers.

b. the year of import: Not Applicable

c. whether the technology been fully absorbed: Not Applicable

d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable

iv. the expenditure incurred on Research and Development:

(₹ in lakhs)

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

C. Foreign exchange earnings and outgo

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

Foreign exchange earnings and outgo:
Earnings and outgo: (₹ in lakhs)

Particulars	FY 2019-20	FY 2018-19
Earnings on account of:		
a) FOB value of exports	12,966.30	5,320.39
Total		
Outgo on account of:		
a) Raw materials	3,543.39	2,340.02
b) Capital goods	599.64	1,857.78
c) Traded goods	-	-
d) Stores & spare parts	536.31	659.13
Total	**4,679.34**	**4,856.93**

For and on behalf of the Board of Directors

Shiv Prakash Mittal
Executive Chairman
DIN: 00237242

Place: Kolkata
Date: June 18, 2020

Annexure to the Director's Report

ANNEXURE -VII

A. Particulars of employees for the year ended March 31, 2020 as required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

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

Name	Designation	Ratio to median remuneration of employees
Mr. Shiv Prakash Mittal	Executive Chairman	49.59
Mr. Shobhan Mittal	Managing Director & CEO	28.22
Mr. Mahesh Kumar Jiwrajka	Independent Director	NA
Mr. Salil Kumar Bhandari	Independent Director	NA
Ms. Sushmita Singha	Independent Director	NA
Mr. Arun Kumar Saraf	Independent Director	NA

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

Name	Designation	% increase
Mr. Shiv Prakash Mittal	Executive Chairman	(51.69)
Mr. Shobhan Mittal	Managing Director & CEO	0
Mr. Mahesh Kumar Jiwrajka	Independent Director	NA
Mr. Salil Kumar Bhandari	Independent Director	NA
Ms. Sushmita Singha	Independent Director	NA
Mr. Arun Kumar Saraf	Independent Director	NA
Mr. Vishwanathan Venkatramani	Chief Financial Officer	NA
Mr. Lawkush Prasad	Company Secretary & AVP-Legal	NA

(a) The percentage increase in the median remuneration of employees in the financial year 2019-20: 8.60 %

(b) The number of permanent employees on the rolls of Company as on March 31, 2020: 1859

(c) average percentile increase 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:

Non - Managerial Personnel: 5.97%
Managerial Personnel: (27.67%)

(f) Affirmation that the remuneration paid during the year ended March 31, 2020 is as per the Remuneration Policy of the Company: It is hereby affirmed that the remuneration paid during the year ended March 31, 2020 is as per the Remuneration Policy of the Company

Information as per Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Board's Report for the year ended on March 31, 2020

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

Sl. No.	Name of Employee	Designation	Remuneration (₹ in lakhs)	Qualification	Experience	Date of commencement of Employment	Age Yrs.	The Last Employment held before joining the Company
1.	Mr. Shiv Prakash Mittal	Executive Chairman	118.80	B.Sc.	47 yrs.	01.02.2007	71 yrs.	Himalaya Granites Ltd.
2.	Mr. Shobhan Mittal	Managing Director & CEO	67.20	BBA	15 yrs.	01.09.2006	40 yrs.	Worthy Plywoods Ltd.
3.	Mr. Vishwanathan Venkatramani	Chief Financial Officer	108.93	CA	33 yrs.	01.07.1995	56 yrs.	MKJ Enterprises
4.	Mr. Yogesh Arora	President-Sales (resigned on 30.11.2019)	111.05	B.Sc. (Maths)	45 yrs.	04.04.2009	64 yrs.	Bajaj Eco-Tec Products Ltd.
5.	Mr. Ashok Parekh	Chief Executive Engineer	96.51	Diploma in Civil Eng.	41 Yrs.	01.04.2008	62 yrs.	Doshion Limited
6.	Mr. Subhash Kumar Aggarwal	Senior Vice-President-Operations	81.27	Post Diploma in Chemical Engineering	39 Yrs.	21.06.2010	60 yrs.	Nuchem Limited
7.	Mr. Neeladri Basu	Senior Vice-President- Finance & Accounts	80.71	CA, IFRR	24 yrs.	01.02.2013	49 yrs.	Ingersoll Rand
8.	Mr. Atul Dixit	National Head-Sales-Plywood	72.67	Executive General Management Program IIM Bangalore	29 yrs.	01.10.2018	54 yrs.	RMC Switchgears Ltd
9.	Mr. Vinod Kumar Tiwary	National Head-Sales-Decorative	59.56	PGDGSM	22 yrs.	10.03.2015	45 yrs.	Mayur Ind Pvt Ltd.
10.	Mr. Manish Khandelwal	National Head-Sales-Flooring (resigned on 29.02.2020)	57.95	Executive Program in Business Management (IIM-Calcutta), PGDBM	22 yrs.	15.03.2019	45 yrs.	Weber Stephen India Pvt. Ltd.

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

Notes:

1. Remuneration shown above includes salary, allowances, cost of accommodation, medical reimbursement, contribution to provident fund, annual commission and other perquisites as per the terms of employment. However, the above remuneration does not include provision for gratuity and expenses towards club membership fees.
2. All the employees have requisite experience to discharge the responsibility assigned to them.
3. Nature and terms of employment are as per resolution/appointment letter.
4. Within the meaning of Section 2(77) of the Companies Act, 2013, Mr. Shiv Prakash Mittal and Mr. Shobhan Mittal are related to each other.

For and on behalf of the Board of Directors

Shiv Prakash Mittal
Executive Chairman
DIN: 00237242

Place: Kolkata
Date: June 18, 2020

Annexure to the Director's Report

ANNEXURE -VIII

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS MADE BY THE COMPANY U/S 186 OF THE COMPANIES ACT, 2013:

II) Details of Investments

Sl No.	Date of Investments	Date of Board Resolution	Date of Special Resolution (If any)	Name of Investee	Purpose for which the proceeds from investment is proposed to be utilized by the recipient	Amount (In USD in lakhs)	Amount (in ₹ lakhs)*	Expected rate of return
1.	24/12/2019	19/07/2019	N.A.	Greenpanel Singapore Pte. Ltd.	For business requirements	7.50	534.56	N.A.

Amount outstanding as at March 31, 2020

Particulars	(₹ in lakhs)
Investments	5,244.62

For and on behalf of the Board of Directors

Shiv Prakash Mittal
Executive Chairman
DIN: 00237242

Place: Kolkata
Date: June 18, 2020

Corporate Governance Report

For financial year 2019-20

As required under Regulation 34(3) read with Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of compliance by the Company with the norms on Corporate Governance are as under:

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

The Company has complied with the principles and practices of good Corporate Governance. The Company's philosophy is to attain transparency and accountability in its relationship with employees, shareholders, creditors, consumers, dealers and lenders, ensuring a high degree of regulatory compliance. Your Company firmly believes that a good governance process represents the foundation of corporate excellence. We have adopted required policies & codes to carry out our duties and responsibilities in an ethical manner.

2. Board of Directors

a) Composition of the Board of Directors and Category of Directors:

The Board comprises of Executive and Non-Executive Directors including Independent Directors. As on March 31, 2020, the composition of the Board is as under:

- One Executive Promoter Chairman
- One Executive Promoter Director
- Four Non-Executive Independent Directors (including one woman Director)

The composition of the Board is in accordance with Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Independent Directors do not have nor had any material pecuniary relationship with the Company, its subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year apart from receiving the sitting fees, reimbursement of expenses incurred for attending the Board meeting, Committee meetings, and Independent Directors' meeting. All the Independent Directors have given declarations that they have satisfied the Criteria of Independency as laid down in Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Companies Act, 2013.

b) Board Meetings and Attendance:

During the financial year 2019-20, 7 (seven) meetings of Board of Directors were held i.e. on May 16, 2019; July 19, 2019 (2 meetings); August 14, 2019; November 07, 2019; December 26, 2019 and February 05, 2020.

The composition of the Board of the Company and the attendance of each Director at the Board Meetings held during the financial year 2019-20 and at the previous Annual General Meeting ("AGM") i.e. at the 2nd AGM held on September 28, 2019 are as follows:

Sl. No.	Name of the Directors and Director Identification Number (DIN)	Category of directorship	No. of Board Meetings		Attendance at 2nd AGM
			Held	Attended	
1.	Mr. Shiv Prakash Mittal (DIN: 00237242)	Executive Chairman- Promoter Director	7	7	Yes
2.	Mr. Shobhan Mittal (DIN: 00347517)	Managing Director & CEO- Promoter Director	7	5	Yes
3.	Mr. Rajesh Mittal * (DIN: 00240900)	Non-Executive – Promoter Director	3	1	No
4.	Mr. Salil Kumar Bhandari (DIN: 00017566)	Non-Executive - Independent Director	7	7	No
5.	Mr. Mahesh Kumar Jiwrajka (DIN: 07657748)	Non-Executive - Independent Director	7	4	No
6.	Ms. Sushmita Singha (DIN: 02284266)	Non-Executive - Independent Director	7	7	Yes
7.	Mr. Arun Kumar Saraf** (DIN: 00087063)	Non-Executive - Independent Director	4	3	No

* Ceased to be Director w.e.f. August 14, 2019

** appointed w.e.f. August 14, 2019

c) The number of other listed entity's Board(s) or Board Committees where Directors are member/ chairperson and name of other Listed Companies along with Category of Directorship:

The number of other listed entity's Board(s) or Board Committees in which the Directors are member/ chairperson and name of other Listed Companies along with Category of Directorship as on March 31, 2020 are as follows:

Sl. No.	Name of the Director	No. of outside directorship held		No. of outside committees** (in public limited companies)		Name of other Listed Companies and Category of Directorship
		Public	Private	Member#	Chairman	
1	Mr. Shiv Prakash Mittal	1	6	1	1	i. Greenlam Industries Limited-Non-Executive Chairman
2	Mr. Shobhan Mittal	-	9	-	-	-
3	Mr. Salil Kumar Bhandari	5	2	3	1	i. HSIL Limited-Independent Director ii. Brilloca Ltd-Independent Director
4	Mr. Mahesh Kumar Jiwrajka	-	2	-	-	-
5	Ms. Sushmita Singha	3	1	1	1	i. Kajaria Ceramics Limited-Independent Director ii. Radico Khaitan Limited-Independent Director
6	Mr. Arun Kumar Saraf	-	1	-	-	-

** Membership/Chairmanship of Audit Committee and Stakeholders' Relationship Committee has only been considered

Number of Membership also includes Chairmanship held in the Committee(s)

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

d) Information supplied to the Board of Directors:

During the financial year 2019-20, all necessary information, as required under the applicable provisions of the Companies Act, 2013, Listing Regulations and other applicable laws and rules were placed and discussed at the Board Meetings.

e) Shareholding of Non-Executive Director(s):

As on March 31, 2020, none of the Non-Executive Directors was holding any shares or convertible instruments in the Company except Mr. Salil Kumar Bhandari who is holding 5,000 equity shares of the Company (comprising of 0.0041% of the total paid-up share capital)

f) Separate Meeting of Independent Directors:

During the year under review, a separate meeting of the Independent Directors of the Company was convened on February 04, 2020, inter alia, to perform the following:

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

All the Independent Directors were present at the above Meeting.

g) Familiarisation programme for Independent Directors:

Pursuant to regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the financial year 2019-20, the Company has conducted the familiarisation program for Independent Directors at the Company's unit situated at Pantnagar, Rudrapur, Uttarakhand to facilitate them to understand the operations of the Company in detail. The details of the familiarisation programme have been disclosed on the website of the Company at the following weblink: https://www.greenpanel.com/wp-content/uploads/2020/05/Familiarisation-Programmes-imparted-to-IDs.pdf

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

Based on the declaration of independency pursuant to Section 149(6) of the Act, 2013 and SEBI Listing Regulations, received from each of the Independent Directors of the Company and placed before the Board of Directors in their meeting held on May 16, 2019, it is confirmed by the Board of directors that Mr. Salil Kumar Bhandari, Mr. Mahesh Kumar Jiwrajka and Ms. Sushmita Singha, the Independent Directors of the Company fulfils the conditions specified in the SEBI Listing Regulations and are independent of the management. Further the Board has also received the required declaration of independency from Mr. Arun Kumar Saraf in their meeting held on August 14, 2019 on his appointment as Independent Director of the Company.

i) Chart/matrix setting out the skills/expertise/competence of the Board of Directors:

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

Sl. No.	Skills/Expertise/Competencies required by the Board of Directors		Status of availability with the Board	Directors who have such skills/ expertise/competence
1.	Understanding of Business/Industry	(a) Of the relevant laws, rules, regulations policies applicable to the Company, the industry/ sector to which it relates. (b) Of processes, policies, codes and practices followed by the Company	Yes	1. Mr. S. P. Mittal 2. Mr. Shobhan Mittal 3. Mr. M. K. Jiwrajka 4. Mr. Salil Kumar Bhandari 5. Ms. Sushmita Singha 6. Mr. Arun Kumar Saraf
2.	Strategy and strategic planning	Ability to develop effective strategies after identification of opportunities, along with implementation of the strategy effectively & efficiently, and incorporation of necessary changes wherever required	Yes	1. Mr. S. P. Mittal 2. Mr. Shobhan Mittal
3.	Understanding of finance and related aspects	Ability to analyse and understand the key financial statements, and knowledge of how to assess the financial value of the Company	Yes	1. Mr. S. P. Mittal 2. Mr. Shobhan Mittal 3. Mr. Salil Kumar Bhandari 4. Mr. Arun Kumar Saraf
4.	HR/ people orientation	(a) Understanding of HR Policies (b) Managing HR activities, talent development and strengthening the people function	Yes	1. Mr. S. P. Mittal 2. Mr. Shobhan Mittal 3. Ms. Sushmita Singha
5.	Risk oversight and management and compliance oversight	(a) Ability to identify and monitor key risks, supervise risk management plans and framework (b) Ability to manage skills	Yes	1. Mr. S. P. Mittal 2. Mr. Shobhan Mittal 3. Mr. Salil Kumar Bhandari 4. Mr. Arun Kumar Saraf
6.	Knowledge of technology and innovation	Understanding of emerging trends in technology and innovations and the ability to guide necessary interventions that can be utilised in making the business more competitive and sustainable	Yes	1. Mr. S. P. Mittal 2. Mr. Shobhan Mittal 3. Mr. M. K. Jiwrajka 4. Mr. Salil Kumar Bhandari 5. Ms. Sushmita Singha 6. Mr. Arun Kumar Saraf
7.	Personal Attributes	(a) Carrying of professional attitude (b) Possession of relationship building capacity (c) Active contribution/ participation in discussions, especially critical discussions (d) Performance oriented attitude	Yes	1. Mr. S. P. Mittal 2. Mr. Shobhan Mittal 3. Mr. M. K. Jiwrajka 4. Mr. Salil Kumar Bhandari 5. Ms. Sushmita Singha 6. Mr. Arun Kumar Saraf

j) Disclosures of relationships between Directors inter-se:

Name of the Directors	Category of Directorship	Relationship between Directors
Mr. Shiv Prakash Mittal	Executive Chairman-Promoter Director	Mr. Shobhan Mittal (Son) and Mr. Rajesh Mittal (Brother)
Mr. Shobhan Mittal	Managing Director & CEO - Promoter Director	Mr. Shiv Prakash Mittal (Father) Mr. Rajesh Mittal (Uncle)
Mr. Rajesh Mittal*	Promoter Director	Mr. Shiv Prakash Mittal (Brother) Mr. Shobhan Mittal (Nephew)
Mr. Salil Kumar Bhandari	Non-Executive-Independent Director	None
Mr. Mahesh Kumar Jiwrajka	Non-Executive-Independent Director	None
Ms. Sushmita Singha	Non-Executive-Independent Director	None
Mr. Arun Kumar Saraf	Non-Executive-Independent Director	None

* Ceased to be Director w.e.f. August 14, 2019

k) Board Evaluation:
The Nomination & Remuneration Committee has formulated a Policy for evaluation of the Board, its Committees and Directors and the same has been approved and adopted by the Board. The details of Board Evaluation forms part of the Board's Report.

l) Terms and conditions of appointment of Independent Directors:
The terms and conditions of appointment of Independent Directors have been placed on the website of the Company. The same is available at https://www.greenpanel.com/wp-content/uploads/2020/05/Appointment-Letters-of-Independent-Directors.pdf

3. Code of Conduct

Details of the Code of Conduct for Board members and senior management of the Company is available on the Company's website at https://www.greenpanel.com/wp-content/uploads/2020/05/Code-of-Conduct-of-BOD-Senior-Mngt-Personnel.pdf. Annual declaration signed by the Managing Director & CEO of the Company pursuant to Regulation 26(3) read with Schedule V (Part D) of the SEBI Listing Regulations is annexed to the Annual Report as Annexure-A.

4. Committees of Board of Directors

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

The Committees are set up under the formal approval of the Board to carry out defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The minutes of the meetings of all Committees are placed before the Board for review.

a) Audit Committee:
The Audit Committee of the Company is constituted in alignment with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

Composition, name of members and chairman:
As on March 31, 2020, the Audit Committee of the Company, comprises of 5 (five) Directors i.e. 4 (Four) Non- Executive Independent Directors and 1 (one) Executive-Promoter Director as follows:

Sl. No.	Name of the Committee Member	Category	Designation
1	Mr. Salil Kumar Bhandari	Independent Director	Chairman
2	Mr. Shiv Prakash Mittal	Executive-Promoter Director	Member
3	Mr. Mahesh Kumar Jiwrajka	Independent Director	Member
4	Mr. Arun Kumar Saraf	Independent Director	Member
5	Ms. Sushmita Singha	Independent Director	Member

Mr. Lawkush Prasad, Company Secretary & AVP-Legal of the Company, acts as the Secretary to the Audit Committee.

Brief description of terms of reference:

POWERS OF AUDIT COMMITTEE-

(i) To investigate any activity within its terms of reference.

(ii) To seek information required from any employee.

(iii) To obtain outside legal or other professional advice.

(iv) To secure attendance of outsiders with relevant expertise, if it considers necessary.

ROLE OF AUDIT COMMITTEE-

(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 except those which are specifically prohibited;

(iv) Reviewing, with the management, and examination of the financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013

b. Changes, if any, in accounting policies and practices and reasons for the same

c. Major accounting entries involving estimates based on the exercise of judgment by management

d. Significant adjustments made in the financial statements arising out of audit findings

e. Compliance with listing and other legal requirements relating to financial statements

f. Disclosure of any related party transactions

g. Modified opinion(s) in the draft audit report

(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) Review and monitor 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 and scrutiny of the method used to determine the arm's length price of any transaction;

(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, 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 there on;

(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 as well as post-audit discussion to ascertain any area of concern;

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

(xviii) To review the functioning of the Whistle Blower mechanism;

(xix) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and 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 including existing loans/ advances/investments existing as on the date of coming into force of this provision.

(xxi) Reviewing the compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

(xxii) Carrying out any other function as may be delegated by the Board of Directors from time to time or as may be required by applicable law or as is mentioned in the terms of reference of the audit committee.

REVIEW OF INFORMATION BY AUDIT COMMITTEE:

(i) Management discussion and analysis of financial condition and results of operations;

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

(iii) Management letters / letters of internal control weaknesses issued by the statutory auditors;

(iv) Internal audit reports relating to internal control weaknesses; and

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

(vi) Statement of deviations:

a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulations 32(1) of SEBI LODR

b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI LODR

Meetings and attendance during the year:
During the financial year 2019-20, 4 (four) meetings of the Audit Committee were held on July 19, 2019; August 14, 2019; November 07, 2019 and February 05, 2020.

The attendances of Committee Members were as under:

Name of the Committee Members	Category	Number of meetings	
		Held	Attended
Mr. Salil Kumar Bhandari	Non-Executive-Independent Director	4	4
Mr. Shiv Prakash Mittal	Executive-Promoter Director	4	4
Mr. Mahesh Kumar Jiwrajka	Non-Executive-Independent Director	4	3
Mr. Arun Kumar Saraf *	Non-Executive-Independent Director	1	1
Ms. Sushmita Singha	Non-Executive-Independent Director	4	4

* Appointed as member of Committee in Board Meeting held on 5th February 2020 with immediate effect

Besides the Committee members, the Committee Meetings are attended by the Representative of Statutory Auditors and Internal Auditors.

b) Nomination & Remuneration Committee:

The Nomination and Remuneration Committee of the Company is constituted in alignment with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations and terms of reference, including role & powers of the Committee, has been modified accordingly.

Composition, name of members and chairman:

As on March 31, 2020, the Nomination & Remuneration Committee of the Company, comprises of 3 (three) Non- Executive Independent Directors as follows:

Sl. No.	Name of the Committee Member	Category	Designation
1	Mr. Salil Kumar Bhandari	Independent Director	Chairman
2	Mr. Mahesh Kumar Jiwrajka	Independent Director	Member
3	Ms. Sushmita Singha	Independent Director	Member

Mr. Lawkush Prasad, Company Secretary & AVP-Legal of the Company, acts as the Secretary to the Nomination & Remuneration Committee.

Brief description of terms of reference:

1. To formulate criteria for:

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

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

2. To devise the following policies on:

i. remuneration including any compensation related payments of the directors, key managerial personnel and other employees and recommend the same to the Board of the Company;

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

3. To identify persons who are qualified to:

i. become directors in accordance with the criteria laid down, and recommend to the Board the appointment and removal of directors;

ii. be appointed in senior management in accordance with the policies of the Company and recommend their appointment or removal to the HR Department and to the Board.

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

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

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

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

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

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

Meetings and attendance during the year:

During the financial year 2019-20, 3 (three) meetings of the Nomination & Remuneration Committee were held on July 19, 2019; August 14, 2019; and February 04, 2020.

The attendances of Committee Members were as under:

Name of the Committee Members	Category	Number of meetings	
		Held	Attended
Mr. Salil Kumar Bhandari	Non-Executive-Independent Director	3	3
Mr. Mahesh Kumar Jiwrajka	Non-Executive-Independent Director	3	3
Ms. Sushmita Singha	Non-Executive-Independent Director	3	3

Performance evaluation criteria for all the Directors (including Independent Directors):

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

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

The Board has adopted the Remuneration Policy on the recommendation of the Nomination and Remuneration Committee in compliance with Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations. The Remuneration Policy of the Company is uploaded on the website of the Company. The web link is https://www.greenpanel.com/wp-content/uploads/2019/11/Remuneration-Policy.pdf

REMUNERATION TO DIRECTORS:

(i) Executive Directors:

The details of remuneration including commission to all Executive Directors for the year ended on March 31, 2020 are as follows and the same is within the ceiling prescribed under the applicable provisions of the Companies Act, 2013.

(₹ in lakhs)

Name and designation	Service contract/Notice period*	Salary	Commission	Provident Fund	Perquisites and other allowances
Mr. Shiv Prakash Mittal (Executive Chairman)	Appointed w.e.f. July 19, 2019 till June 30, 2024	108.00	-	10.80	-
Mr. Shobhan Mittal (Managing Director & CEO)	Appointed w.e.f. July 19, 2019 till June 30, 2024	60.00	-	7.20	9.73

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

(ii) Non-Executive Directors:

The details of sitting fees to Non-Executive Directors for the financial year 2019-20 are as follows:

Name	Service contract/Notice period	Sitting fees (₹ in lakhs)
Mr. Salil Kumar Bhandari	Appointed for five years w.e.f. August 06, 2018 till August 05, 2023.	6.30
Mr. Mahesh Kumar Jiwrajka	Appointed for five years w.e.f. August 06, 2018 till August 05, 2023.	4.70
Ms. Sushmita Singha	Appointed for five years w.e.f. August 06, 2018 till August 05, 2023	6.70
Mr. Arun Kumar Saraf	Appointed for five years w.e.f. August 14, 2019 till August 13, 2024	1.70

No sitting fee is paid to the Chairman and the Managing Director & CEO for attending the Board Meetings or Committee Meetings thereof. There are no pecuniary relationship or transaction between the non-executive Independent directors and the Company, except for sitting fees for attending the meeting of the Board and Committee(s) thereof. The Company has not granted any stock option to its Directors.

The criteria for making payment to Non-Executive Directors is disclosed on the website of the Company at weblink https://www.greenpanel.com/wp-content/uploads/2020/05/Criteria-for-making-payment-to-Non-Executive-Directors.pdf

The details of shares held by the Executive and Non-Executive Directors of the Company as on March 31, 2020 are as follows:

Name of the Directors	Category	Number of Equity Shares held
Mr. Shiv Prakash Mittal	Executive Promoter Director	755000
Mr. Shobhan Mittal	Executive Promoter Director	10588380
Mr. Salil Kumar Bhandari	Non-Executive Independent Director	5000
Mr. Mahesh Kumar Jiwrajka	Non-Executive Independent Director	0
Ms. Sushmita Singha	Non-Executive Independent Director	0
Mr. Arun Kumar Saraf	Non-Executive Independent Director	0

c) Stakeholders Relationship Committee:

Stakeholders Relationship Committee of the Company is constituted in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

Composition, name of members and chairman:

As on March 31, 2020, the Stakeholders Relationship Committee of the Company, comprises of 1 (one) Non- Executive Independent Director and 2(two) Executive Promoter Directors as follows:

Sl. No.	Name of the Committee Member	Category	Designation
1	Mr. Mahesh Kumar Jiwrajka	Independent Director	Chairman
2	Mr. Shiv Prakash Mittal	Executive Promoter Director	Member
3	Mr. Shobhan Mittal	Executive Promoter Director	Member

In terms of Regulation 6 and Schedule V of the Listing Regulations, the Board has appointed Mr. Lawkush Prasad Company Secretary & AVP-Legal as the Compliance Officer of the Company.

Brief description of terms of reference:

1. To ensure proper and timely attendance and redressal of grievances of security holders of the Company in relation to:

a. Transfer/transmission of shares,

b. Non-receipt of annual reports,

c. Non-receipt of declared dividends,

d. All such complaints directly concerning the shareholders / investors as stakeholders of the Company; and

e. Any such matters that may be considered necessary in relation to shareholders and investors of the Company.

2. Reviewing the measures taken for effective exercise of voting rights by shareholders.

3. Reviewing the adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

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

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

7. To review and/or approve requests of dematerialization and rematerialisation of securities of the Company and such other related matters;

8. Appointment and fixing of remuneration of RTA and overseeing their performance;

9. Review the status of the litigation(s) filed by/against the security holders of the Company;

10. Review the status of claims received for unclaimed shares;

11. Recommending measures for overall improvement in the quality of investor services;

12. Review the impact of enactments/ amendments issued by the MCA/ SEBI and other regulatory authorities on matters concerning the investors in general;

    Such other matters as per the directions of the Board of Directors of the Company and/ or as required under Regulation 20 read with Part D of Schedule II of the SEBI LODR.

13. To carry out such other business as may be required by applicable law or delegated by the Board of Directors of the Company or considered appropriate in view of its terms of reference.

Details of complaints received and resolved during the year ended March 31, 2020:

Received during the year	Resolved during the year	Not solved to the satisfaction of the shareholders	Pending at the end of the year
-	-	-	-

Meetings and attendance during the year:

During the financial year 2019-20, 2 (Two) meetings of the Stakeholders Relationship Committee were held on August 14, 2019 and February 04, 2020.

The attendances of Committee Members were as under:

Name of the Committee Members	Category	Number of meetings	
		Held	Attended
Mr. Mahesh Kumar Jiwrajka	Non-Executive-Independent Director	2	2
Mr. Shiv Prakash Mittal	Executive-Promoter Director	2	2
Mr. Shobhan Mittal	Executive-Promoter Director	2	2

d) Corporate & Social Responsibility Committee:

Corporate Social Responsibility (CSR) Committee of the Company is constituted as per Section 135 of the Companies Act, 2013.

Composition, name of members and chairperson:

As on March 31, 2020, the Corporate Social Responsibility Committee of the Company, comprises of 1 (one) Non- Executive Independent Director and 2(two) Executive Promoter Directors as follows:

Sl. No.	Name of the Committee Member	Category	Designation
1	Ms. Sushmita Singha	Independent Director	Chairperson
2	Mr. Shiv Prakash Mittal	Executive Promoter Director	Member
3	Mr. Shobhan Mittal	Executive Promoter Director	Member

Mr. Lawkush Prasad Company Secretary & AVP-Legal acts as the Secretary of the Committee.

Brief description of terms of reference:

1. To formulate, monitor and recommend to the Board the CSR Policy including the activities to be undertaken by the Company;

2. To recommend the amount of expenditure to be incurred on the activities undertaken;

3. To monitor the implementation of the framework of Corporate Social Responsibility Policy;

4. To evaluate the social impact of the Company's CSR Activities;

5. To review the Company's disclosure of CSR matters;

6. To submit a report on CSR matters to the Board at such intervals and in such format as may be prescribed.

7. To consider other functions, as defined by the Board or as may be stipulated under any law, rule or regulation, Corporate Social Responsibility Voluntary Guidelines 2009 and the Companies Act, 2013

Meetings and attendance during the year:

During the financial year 2019-20, 2 (Two) meetings of the Corporate Social Responsibility (CSR) Committee was held on August 14, 2019; and February 04, 2020.

The attendances of Committee Members were as under:

Name of the Committee Members	Category	Number of meetings	
		Held	Attended
Ms. Sushmita Singha	Non-Executive-Independent Director	2	2
Mr. Shiv Prakash Mittal	Executive-Promoter Director	2	2
Mr. Shobhan Mittal	Executive-Promoter Director	2	2

e) Operational Committee:

As on March 31, 2020, the Committee comprised of Mr. Shiv Prakash Mittal, Mr. Shobhan Mittal, and Mr. Arun Kumar Saraf. The Committee meets as and when required to consider matters assigned to it by the Board of Directors from time to time.

During the financial year 2019-20, 8 (Eight) meetings of the Operational Committee were held on July 26, 2019; October 14, 2019; October 17, 2019; November 23, 2019; December 24, 2019; February 05, 2020; February 15, 2020 and March 07, 2020.

5. Subsidiaries

Details of the Subsidiaries of the Company and their business activities are provided in the Directors' Report forming part of the Annual Report of the Company. The Company has formulated a policy for determining 'material' subsidiaries pursuant to the provisions of the Listing Regulations as amended from time to time and the same is displayed on the website of the Company. The weblink is https://www.greenpanel.com/wp-content/uploads/2019/11/Policy-for-determining-Material-Subsidiaries.pdf

6. General Body Meetings

a) The details of last two Annual General Meetings of the shareholders are as under:

Financial Year	Date of AGM	Venue	Time
2018-2019	September 28, 2019	Registered Office at Makum Road, Tinsukia, Assam-786125	10.00 A.M.
2017-2018	August 28, 2018	Registered Office at Makum Road, Tinsukia, Assam-786125	09.00 A.M.

b) Special resolutions passed at the previous two Annual General Meetings are as below:

AGM No.	AGM Date	Details of Special Resolution passed
2nd	September 28, 2019	Appointment of Mr. Shiv Prakash Mittal as Executive Chairman of the Company with effect from July 19, 2019 till June 30, 2024
1st	August 28, 2018	NIL

c) The Details of Special Resolutions passed through postal ballot during the financial year 2019-20:

During the financial year 2019-20, no Resolution was passed through postal ballot.

d) Person who conducted the Postal Ballot:

Not Applicable

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

f) Procedure for Postal ballot:

Not Applicable

7. Means of communication

a) Quarterly/Half-yearly/Annual Results:

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

b) Website:

The Company's website (www.greenpanel.com) is a comprehensive reference on Company's vision, mission, products, investor relation, feedback and contact details. In compliance with Regulation 46 of the Listing Regulations, a separate section under "Investor Relations" on the Company's website gives information on various announcements made by the Company, complete financial details, Board of Directors Details, Policies of the Company, quarterly & annual results, shareholding pattern, annual report, information relating to stock exchanges where shares are listed, investor contact details, etc. The presentation made to institutional investors or to the analysts are also available on the Company's website.

8. General shareholders' information

1.	Date, time and mode of the Annual General Meeting	Friday, September 18, 2020, 11 A.M. through VC & OAVM
2.	Financial Year	Financial year of the Company is from April 01 to March 31.
3.	Publication of results for the financial year 2020-21 (tentative and subject to change)	First quarter results: On or before August 14, 2020 Second quarter and half year results: On or before November 14, 2020 Third quarter results: On or before February 14, 2021 Fourth quarter results and results for the year ending March 31, 2021: On or before May 30, 2021.
4.	Dates of book closure	From September 14, 2020 to September 18, 2020 (both days inclusive)
5.	Dividend payment date	Not Applicable
6.	Listing of Equity Shares at Stock Exchanges	1. BSE Ltd. (BSE) Floor 25, P. J. Towers Dalal Street, Fort Mumbai - 400001 2. National Stock Exchange of India Ltd. (NSE) Exchange Plaza, Bandra Kurla Complex Bandra (E) Mumbai - 400 051
7.	Stock Code/Symbol	BSE Scrip Code: 542857 NSE Symbol: GREENPANEL
8.	Payment of Listing Fees	Annual Listing Fees for both the stock exchanges for the financial year 2020-21 has been duly paid by the Company.

8. Market price data for each month during the financial year 2019-20:

(Amount in ₹)

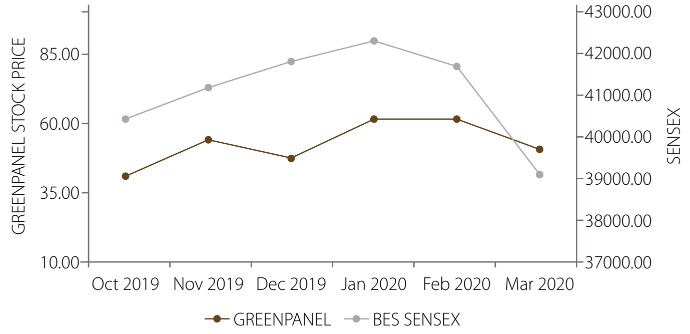
Month*	At BSE		At NSE	
	High	Low	High	Low
October 2019	40.45	29.95	44.65	29.85
November 2019	53.50	28.50	53.20	28.35
December 2019	47.05	43.00	47.50	42.00
January 2020	61.40	43.00	61.00	42.80
February 2020	61.45	46.50	61.10	46.50
March 2020	50.00	27.60	52.45	27.50

* The Company's shares got listed on the Stock Exchanges on October 23, 2019. Therefore, market price data has been considered from October 2019.

9. **E-mail ID for Investors:**
   investor.relations@greenpanel.com

10. **Performance in comparison to broad based indices such as BSE sensex, CRISIL Index etc.**
    Greenpanel Industries Limited share performance:

GREENPANEL HIGH Vs. SENSEX HIGH



11. **Suspension of Securities during the financial year 2019-20:**
    During the financial year 2019-20, the securities of the Company were not suspended from trading.

12. **Registrar & Share Transfer Agent ("R&T Agent"):**
    Maheshwari Datamatics Private Limited
    Contact Person: Mr. S. Rajagopal
    Address: 23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700001
    Phone No. 033 2243-5029 / 2248-2248 / 2231-6839
    E-mail ID: mdpldc@yahoo.com

13. **Share Transfer System:**
    The Company has a Committee of the Board of Directors called Stakeholders Relationship Committee and takes necessary steps as per its terms of reference duly approved by the Board from time to time.

    No Share transfer requests were received during the Financial Year 2019-20.

14. **Distribution of equity shareholding as on March 31, 2020:**

Distribution of shareholding by size is as given below:

Range in number of shares held	Number of shareholders	Percentage of Shareholders	Number of shares held	Percentage of shares held
1-500	16374	84.36	1608535	1.31
501-1000	1177	6.06	926309	0.76
1001-2000	829	4.27	1261528	1.03
2001-3000	311	1.60	786566	0.64
3001-4000	154	0.79	544157	0.44
4001-5000	128	0.66	597053	0.49
5001-10000	175	0.90	1272561	1.04
10001-50000	199	1.03	3926980	3.20
50001-100000	22	0.11	1743691	1.42
100001 and above	40	0.21	109960015	89.67
Total	**19409**	**100.00**	**122627395**	**100.00**

Distribution of shareholding by category is as given below:

Category of shareholders	Number of shares	Percentage of shares
Promoter and Promoter Group	65110000	53.10
Alternate Investment Funds	2142976	1.75
Foreign Portfolio Investor	13171594	10.74
Mutual Funds	20583295	16.79
Bodies Corporate	1370891	1.12
Resident Individuals	14943111	12.19
NBFCs registered with RBI	655	0.00
Clearing Member	115587	0.09
NRI	1341359	1.09
Trusts	118688	0.10
Foreign Company	3639875	2.96
Investor Education and Protection Fund Authority	30185	0.02
Financial Institutions/banks	535	0.00
Insurance Companies	58644	0.05
Total	**122627395**	**100.00**

15. **Dematerialisation of shares and liquidity:**

The Company's equity shares are tradable compulsorily in electronic form and are available for trading in the depository systems of both National Securities Depository Ltd (NSDL) and the Central Depository Services (India) Ltd (CDSL). The International Securities Identification Number (ISIN) of the Company, as allotted by NSDL and CDSL, is INE08ZM01014. Nearly 99.94% of total listed equity shares have been dematerialized as on March 31, 2020.

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

17. **Commodity price risk or foreign exchange risk and hedging activities:**

The Company has significant foreign exchange exposure towards imports, export and foreign currency loans.

i. Imports are hedged and exports are unhedged;

ii. Foreign Currency Loans: Loan from SCB is hedged for IRS and principal currency swap. Loan from LBBW is unhedged.

18. **Corporate Identification Number (CIN):**
L20100AS2017PLC018272

19. **Plant locations:**

i. Plot no 2, Sector -9, Integrated Industrial Estate, Pantnagar, Rudrapur, Udham Singh Nagar, Uttarakhand- 263153

ii. Routhu Suramala, Thottambedu Mandal, Dist. Chittoor, Andhra Pradesh- 517642

20. **Address for correspondence:**

i. **Registrar & Share Transfer Agent:**
M/s. Maheshwari Datamatics Pvt. Ltd.
23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700001
Phone: 033 2243-5029 / 2248-2248 / 2231-6839
Contact Person: Mr. S. Rajagopal
Email: mdpldc@yahoo.com

ii. **Company Secretary & Compliance Officer:**
Mr. Lawkush Prasad
Greenpanel Industries Limited
"Thapar House" 2nd Floor, 163 S.P. Mukherjee Road Kolkata - 700 026, India
Phone: (033) 4084-0600
Fax: (033) 2464-5525
Email: lawkush.prasad@greenpanel.com

iii. **Chief Investor Relations Officer:**
Mr. Vishwanathan Venkatramani, Chief Financial Officer
Greenpanel Industries Limited
"Thapar House" 2nd Floor, 163 S.P. Mukherjee Road Kolkata - 700 026, India
Phone: (033) 4084-0600
Fax: (033) 2464-5525
Email: investor.relations@greenpanel.com

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

During the financial year 2019-20, the Company does not have any debt instruments or any Fixed Deposit Programme or any scheme or the proposal of the Company involving mobilization of funds in India or in abroad.

9. Other Disclosures:

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

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

c) There is no case of non-compliance of any statutory compliance for the Company and no penalties or strictures have been imposed on the Company by the Stock Exchanges i.e. BSE & NSE or Securities and Exchange Board of India or any statutory authority on any matter related to the capital market, since listing of the Company.

d) The Company has in place Vigil Mechanism/Whistle Blower Policy as required and it is affirmed that no personnel has been denied access to the Audit Committee.

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

f) The Related Party Transaction Policy is also posted on the Company's website and can be accessed at greenpanel.com/wp-content/uploads/2019/11/Related-Party-Transactions-Policy.pdf

g) Discretionary requirements as specified in Part E of Schedule II of the SEBI Listing Regulations:

The Company has complied with the discretionary requirements with regard to reporting of Internal Auditor directly to Audit Committee, moving towards a regime of unqualified Financial Statements and unmodified audit opinion and separating the post of Chairman and Managing Director/Chief Executive Officer.

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

i) 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.

j) In order to prevent misuse of any unpublished price sensitive information (UPSI), maintain confidentiality of all UPSI and prohibit any insider trading activity and abusive self-dealing of securities, in the interest of the shareholders at large, the Company has framed a Code of Conduct to Regulate, Monitor and Report Trading in Securities of the Company and Policy & Procedures for Inquiry in case of leak of Unpublished Price Sensitive Information and the same have been approved by the Board of Directors in their meeting held on June 18, 2020. The said Code prohibits the Designated Persons of the Company 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.

k) Further the Company has framed a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and the same is available on the website of the Company at https://www.greenpanel.com/wp-content/uploads/2019/11/Policy-for-determination-of-material-disclosure.pdf

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

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

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

n) During the financial year 2019-20, there was no recommendation of any committee of the Board of the Company which is mandatorily required and is not accepted by the Board of the Company.

o) During the financial year 2019-20, total fees for all services paid by the Company and/or its subsidiaries, on a consolidated basis, to the statutory auditor of the Company and all entities in the network firm/ network entity of which the statutory auditor is a part is detailed below:

Particulars	(₹ in lakhs)
Statutory Audit Fees	27.64
Tax Audit Fees	-
Quarterly Limited Review	3.90
Fees for other statutory certifications	0.73
Reimbursements	0.33
Total	**32.60**

p) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company is committed to provide a healthy and safe working environment for its employees. The Company has adopted a 'Anti- Sexual Harassment Policy' to prohibit or prevent any acts of sexual harassment at workplace and to provide the procedure for the redressal of complaints pertaining to sexual harassment, in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and the rules made thereunder. No Complaints were received during the Financial Year 2019-20.

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

11. Compliance Certificate of the Auditors:

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

12. Disclosures with respect to demat suspense account/unclaimed suspense account:

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

Sl. No.	Particulars	No. of Shareholders	Outstanding Shares
1.	Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the beginning of the year	11	6042
2.	Number of shareholders to whom shares were transferred from Suspense Account during the year	7	5716
3.	Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the end of the year	4	326

As on March 31, 2020, 326 equity shares of the Company held by 4 shareholders are unclaimed and held in "Greenpanel Industries Limited – Unclaimed Suspense Account" and the voting rights on the same shares shall remain frozen till the rightful owner of the said shares claims such shares.

13. Managing Director & CEO and CFO Certification:

The Managing Director & CEO and the CFO have issued certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying, inter alia, that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed to this report as "Annexure-C".

For and on behalf of the Board of Directors

Shiv Prakash Mittal
Executive Chairman
DIN: 00237242

Place: Kolkata
Date: June 18, 2020

Annexure to Corporate Governance Report

ANNEXURE -A

Declaration by the Managing Director & CEO under Regulation 26(3) read with Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Compliance with Code of Conduct

To
The Members,
Greenpanel Industries Limited

In accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as applicable to them, for the financial year ended March 31, 2020.

Shobhan Mittal
Managing Director & CEO
DIN: 00347517

Place: Kolkata
Date: June 18, 2020

Annexure to Corporate Governance Report

ANNEXURE -B

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To
The Members,
Greenpanel Industries Limited
Makum Road Tinsukia
Assam – 786125

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Greenpanel Industries Limited, CIN L20100AS2017PLC018272, having registered office at Makum Road Tinsukia – 786125, Assam (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

Serial No.	Name of the Directors	DIN	Date of Appointment
1	Mr. Shiv Prakash Mittal	00237242	13/12/2017
2	Mr. Shobhan Mittal	00347517	13/12/2017
3	Mr. Salil Kumar Bhandari	00017566	06/08/2018
4	Mr. Mahesh Kumar Jiwrajka	07657748	06/08/2018
5	Ms. Sushmita Singha	02284266	06/08/2018
6	Mr. Arun Kumar Saraf	00087063	14/08/2019

Ensuring the eligibility of for the appointment / continuity as Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification and representation made by the respective directors.

For T. Chatterjee & Associates
Company Secretaries
FRN No. - P2007WB067100

Binita Pandey - Partner
ACS : 41594, CP : 19730
UDIN: A041594B000341916

Place: Kolkata
Date: June 15, 2020

Annexure to Corporate Governance Report

ANNEXURE -C

Auditors' Certificate on Corporate Governance

To The Members of
Greenpanel Industries Limited

We have examined the compliance of conditions of Corporate Governance by Greenpanel Industries Limited (CIN: L20100AS2017PLC018272) ("the Company"), as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") for the financial year ended March 31, 2020.

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

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the review of procedures and implementation thereof adopted by the Company for ensuring compliance of the conditions of Corporate Governance as stipulated in the said Regulations. This certificate 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.

Auditors' Responsibility

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the financial year ended March 31, 2020.

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

Restriction on use

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

For S. S. KOTHARI MEHTA & COMPANY
Chartered Accountants
FRN - 000756N

Sunil Wahal
Partner
Membership No. 087294
UDIN: 20087294AAAADS1714

Place: New Delhi
Date: June 18, 2020

Certification by Chief Executive Officer and Chief Financial Officer pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors,
Greenpanel Industries Limited.

a) We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended on March 31, 2020 and that to the best of our knowledge and belief:

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

   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee that there are no:

   i. Significant changes in internal control over financial reporting during the year;

   ii. Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and

   iii. Instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata	Shobhan Mittal	Vishwanathan Venkatramani
Date: June 18, 2020	Managing Director & CEO	Chief Financial Officer
	DIN: 00347517	

Financial Statement

Independent Auditors' Report

To The Members of
Greenpanel Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of GREENPANEL INDUSTRIES LIMITED ("the Company"), which comprise the balance sheet as at March 31, 2020, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Indian Accounting Standards prescribed under section 133 of the Act read with the relevant rules made thereunder, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, as amended 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.

Emphasis of Matter

a. We draw attention to Note 49 to the standalone financial statements, which describes in detail the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. Due to outbreak of COVID-19 pandemic, the economic activity is disturbed through interruption in manufacturing activities. During lockdown period revenues and profitability of the Company were adversely impacted. The exact impact on the profitability is not determinable as on date. The Company has availed moratorium on some of the payments falling due between March and May 2020 in order to maintain adequate liquidity position. Our opinion is not modified in respect of this matter.

b. Our attendance at the physical inventory verification done by the management was impracticable under the current lock-down restrictions imposed by the Government and we have therefore, relied on the related alternate audit procedures to obtain comfort over the existence and condition of inventory at year end. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements 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.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's Responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matters
Revenue recognition on sale of goods and impairment loss allowance on trade receivables	
Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives and returns, if any, ('variable consideration') as specified in the contracts with the customers. An estimate of variable consideration payable to the customers is recorded as at the year-end. Such estimation is done based on the terms of contracts, rebates and discounts schemes and historical experience. In accordance with Ind AS 109 – Financial Instruments, the Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. In calculating the impairment loss allowance, the Company has considered its credit assessment and other related credit information for its customers to estimate the probability of default in future and has considered estimates of possible effect from increased uncertainties in economic environment. We identified estimation of variable consideration and impairment loss allowance on trade receivables as a key audit matter because the Company's management exercises significant judgments and estimates in calculating the said variable consideration and impairment loss allowance.	Our audit procedures included, amongst others: a. We read and evaluated the Company's policies for revenue recognition and impairment loss allowance and assessed its compliance with Ind AS 115 – Revenue from contracts with customers' and Ind AS 109 'Financial Instruments' respectively. b. We assessed the design and tested the operating effectiveness of internal controls related to sales including variable consideration and impairment loss allowance on trade receivables. c. We performed the following tests for a sample of transactions relating to variable consideration: • Read the terms of contract including rebates and discounts schemes as approved by authorized personnel. • Evaluated the assumptions used in estimation of variable consideration by comparing with the past trends and understand the reasons for deviation. • Performed retrospective review to identify and evaluate variances. d. We evaluated management's assessment of the assumptions used in the calculation of impairment loss allowance on trade receivables, including consideration of the current and estimated future uncertain economic conditions. e. For sample customers, we tested past collection history, customer's credit assessment and probability of default assessment performed by the management. f. We tested the mathematical accuracy and computation of the allowances. g. We read and assessed the relevant disclosures made within the standalone Ind AS financial statements.
Accounting of government grants	
The Company has various grants and subsidies receivable from the state Governments of respective plant locations. These grants and subsidies are both capital and revenue in nature.	Our audit procedures included, amongst others: a. We checked that the recognition of grants / subsidies is in accordance with Ind AS 20 by making a reference to the conditions for such grants in the scheme documents of the respective state Governments and checking the due evidence of fulfillment of such conditions by the Company b. We have also gone through the correspondence between the Company and relevant Government authorities to assess the recoverability of grants / subsidies already recognized c. We reviewed the legal experts' opinions obtained by the Company and/or the Managements' Representation in cases where such grants have been outstanding for more than a year.

Information Other than the Financial Statements and Auditor's Report Thereon

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

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

In connection with our audit of the 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.

Responsibility of Management for the Standalone Financial Statements

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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management 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.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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.

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

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

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, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:

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

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The balance sheet, the statement of profit and loss including other comprehensive income, statement of changes in equity and the statement of cash flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act read with the relevant rules made thereunder, as amended, and other accounting principles generally accepted in India.

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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act

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 as at March 31, 2020 on its financial position in its standalone financial statements- Refer Note 37(a) to the standalone financial statements.

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

   iii. There was no amount required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2020.

For S. S. Kothari Mehta & Company
Chartered Accountants
Firm Registration No. 000756N

Sunil Wahal
Partner
Membership No: - 087294

Place: New Delhi
Date: June 18, 2020
UDIN: 20087294AAAADU6941

Annexure A to the Independent Auditor's Report to the Members of GREENPANEL INDUSTRIES LIMITED on its standalone financial statements dated June 18, 2020

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section.

i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

   (b) The Company has a regular program of physical verification of its fixed assets by which fixed asset of respective locations are verified in phased manner. In our opinion the frequency of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets. No material discrepancies were noticed on such physical verification.

   (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company, except for the Tinsukia land transferred to the Company pursuant to scheme of arrangement. The Company is in the process of having the title transferred in its name.

ii. The inventories of raw material and components of the Company (except stock lying with the third parties and in transit) have been physically verified by the management at the end of the year and in respect of inventory of stores and spares there is perpetual inventory system and substantial portion of the stock have been verified during the year. In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable in relation to the size of the Company and nature of its business. The discrepancies, if any, were not material and adjusted in the books.

iii. The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, clauses 3(iii) (a) to (c) of the Order are not applicable.

iv. According to the information, explanations and representations provided by the management and based upon audit procedures performed, we are of the opinion that in respect of loans, investments, guarantees and security, the Company has complied with the provisions of the Section 185 and 186 of the Act.

v. As the Company has not accepted deposits, the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed there under are not applicable. Neither an order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal, nor is any proceeding pending before such authority.

vi. The Company is not required to maintain the books of account pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act. However, company maintains adequate cost records in respect of the company's products. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, goods and service tax, cess and other material statutory dues, as applicable, with the appropriate authorities and there are no such undisputed amounts payable which have remained outstanding as at March 31, 2020 for a period of more than six months from the date they became payable.

   (b) According to the records and information & explanations given to us, certain dues in respect of Income tax, sales tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of dispute and the forum where the dispute is pending are given below:

Name of the statute	Nature of dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Service Tax Act, 1944	Denial of refund of service tax refund on Timber transportation	51.64	August 2013 to May 2014	CESTAT, New Delhi
Service Tax Act, 1944	Demand of Service tax on GTA services availed for transportation of wood log	445.68	June 2014 to September 2016	Commissioner Customs, Central Excise & Service Tax, Hapur
Service Tax Act, 1944	Demand of Service tax on GTA services availed for transportation of wood log	133.34	October 2016 to June 2017	Commissioner, Central Goods & Service Tax, Dehradun
Customs Act, 1962	Disallowance of benefits under SHIS license	391.92	July 2013 to December 2014	CESTAT, Kolkata
Customs Act, 1962	Disallowance of benefits under SHIS license	6.49	2013-2014 to 2014-2015	CESTAT, Kolkata

viii. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loans and borrowings to financial institutions, banks, Government and dues to debenture holders. The Company has not taken any loan from Government.

ix. In our opinion and according to the information and explanations given to us, term loans were applied for the purpose for which the term loan were obtained. No money has been raised during the year by way of initial public offer / further public offer.

x. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of such case by the management.

xi. In our opinion and according to the Information and explanation given to us, 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. As the Company is not a Nidhi Company, the provision of clause 3(xii) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 178 of the Act, as applicable and the details have been disclosed in these standalone financial statements as required by the applicable accounting standards.

xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.

xv. In our opinion and on the basis of information and explanations given to us, the company has not entered into non-cash transactions with directors and persons connected with him. Hence, the provisions of section 192 of Act are not applicable.

xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S. S. Kothari Mehta & Company
Chartered Accountants
Firm Registration No. 000756N

Sunil Wahal
Partner
Membership No: - 087294

Place: New Delhi
Date: June 18, 2020
UDIN: 20087294AAAADU6941

Annexure B to the Independent Auditor's Report to the Members of GREENPANEL INDUSTRIES LIMITED dated June 18, 2020 on its standalone financial statements

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section

We have audited the internal financial controls over financial reporting of GREENPANEL INDUSTRIES 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 Company's Management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b) 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

c) 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 Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations, given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S. S. Kothari Mehta & Company
Chartered Accountants
Firm Registration No. 000756N

Sunil Wahal
Partner
Membership No: - 087294

Place: New Delhi
Date: June 18, 2020
UDIN: 20087294AAAADU6941

Standalone Balance Sheet as at 31 March 2020

₹ in Lakhs

	Note	31 March 2020	31 March 2019
Assets			
(1) Non-current assets			
(a) Property, plant and equipment	4	1,06,292.38	1,11,684.34
(b) Capital work-in-progress	5	568.84	379.33
(c) Other intangible assets	6	43.53	72.38
(d) Right of use assets		2,456.57	-
(e) Financial assets			
(i) Investments	7	5,244.62	4,710.06
(ii) Loans	8	1,411.47	1,086.48
(f) Non-current tax assets (net)	9	261.39	-
(g) Other non-current assets	14	1,489.93	1,653.47
Total non-current assets		1,17,768.73	1,19,586.06
(2) Current assets			
(a) Inventories	10	15,388.67	13,081.16
(b) Financial assets			
(i) Trade receivables	11	7,052.11	5,236.25
(ii) Cash and cash equivalents	12	937.06	1,810.37
(iii) Other bank balances	13	28.93	28.54
(iv) Loans	8	96.72	32.32
(v) Derivatives	24	552.41	10.39
(vi) Other financial assets	15	4,016.44	2,918.69
(c) Other current assets	16	3,410.75	5,777.84
Total current assets		31,483.09	28,895.56
Total assets		1,49,251.82	1,48,481.62
Equity and liabilities			
Equity			
(a) Equity share capital	17	1,226.27	-
(b) Equity share capital suspense	17A	-	1,226.27
(c) Other equity	18	68,463.07	66,810.56
Total equity		69,689.34	68,036.83
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	43,080.74	45,365.66
(ii) Other financial liabilities	20	2,295.64	1,253.00
(b) Provisions	21	967.39	790.82
(c) Deferred tax liabilities (net)	35	688.94	1,205.30
(d) Other non-current liabilities	22	2,866.01	4,529.95
Total non-current liabilities		49,898.72	53,144.73
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	7,270.64	4,541.70
(ii) Trade payables	23		
total outstanding dues of micro enterprises and small enterprises		1.72	0.81
total outstanding dues of creditors other than micro enterprises and small enterprises		12,273.21	8,149.41
(iii) Other financial liabilities	20	6,710.92	10,780.17
(b) Other current liabilities	25	3,175.99	3,354.35
(c) Provisions	21	231.28	383.03
(d) Current tax liabilities (net)	9	-	90.59
Total current liabilities		29,663.76	27,300.06
Total liabilities		79,562.48	80,444.79
Total equity and liabilities		1,49,251.82	1,48,481.62
Significant accounting policies	3		

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached
For **S.S. Kothari Mehta & Company**
Chartered Accountants
Firm Registration number: 000756N

For and on behalf of Board of Directors of
Greenpanel Industries Limited
CIN: L20100AS2017PLC018272

Sunil Wahal
Partner
Membership No: 087294

Shiv Prakash Mittal
Executive Chairman
(DIN : 00237242)

Shobhan Mittal
Managing Director & CEO
(DIN : 00347517)

V. Venkatramani
Chief Financial Officer

Lawkush Prasad
Company Secretary & AVP-Legal

Place : New Delhi
Dated : 18 June 2020

Place : Kolkata
Dated : 18 June 2020

Standalone Statement of Profit and Loss for the year ended 31 March 2020

₹ in Lakhs

		Note	Year ended 31 March 2020	Year ended 31 March 2019
I.	Revenue from operations	26	85,979.39	58,731.41
II.	Other income	27	203.69	1,280.70
III	**Total income (I+II)**		86,183.08	60,012.11
IV.	**Expenses**			
	Cost of materials consumed	28	38,870.33	28,877.57
	Purchase of stock in trade	29	401.11	9.88
	Changes in inventories of finished goods, work-in-progress and stock in trade	30	(1,086.73)	(3,939.94)
	Employees benefits expense	31	9,277.73	7,486.77
	Finance costs	32	4,766.74	2,391.15
	Depreciation and amortisation expense	33	6,537.86	5,031.60
	Other expenses	34	24,987.40	17,961.32
	Total expenses (IV)		83,754.44	57,818.35
V.	**Profit before exceptional items and tax (III-IV)**		2,428.64	2,193.76
VI.	Exceptional items	48	1,083.74	-
VII.	**Profit before tax (V-VI)**		1,344.90	2,193.76
	Current tax		(258.85)	(499.41)
	Deferred tax		533.87	2,718.40
VIII.	**Tax expense**	35	275.02	2,218.99
IX.	**Profit for the year (VII+VIII)**		1,619.92	4,412.75
X.	**Other comprehensive income**			
	Items that will not be reclassified subsequently to profit or loss:			
	Remeasurements of defined benefit liability/(asset)		50.10	34.83
	Income tax relating to items that will not be reclassified to profit or loss		(17.51)	(12.17)
	Net other comprehensive income not to be reclassified subsequently to profit or loss		32.59	22.66
XI.	**Total comprehensive income for the year (IX+X)**		1,652.51	4,435.41
XII.	**Earnings per equity share**	36		
	[Face value of equity share ₹1 each (previous year ₹1 each)]			
	- Basic (₹)		1.32	3.60
	- Diluted (₹)		1.32	3.60
	Significant accounting policies	3		

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached
For **S.S. Kothari Mehta & Company**
Chartered Accountants
Firm Registration number: 000756N

For and on behalf of Board of Directors of
Greenpanel Industries Limited
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Sunil Wahal
Partner
Membership No: 087294

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Managing Director & CEO
(DIN : 00347517)

V. Venkatramani
Chief Financial Officer

Lawkush Prasad
Company Secretary & AVP-Legal

Place : New Delhi
Dated : 18 June 2020

Place : Kolkata
Dated : 18 June 2020

Standalone Statement of changes in equity for the year ended 31 March 2020

a) Equity share capital

₹ in Lakhs

Particulars	Note	Amount
Balance as at 1 April 2018		10.00
Cancelled pursuant to scheme of arrangement	17	(10.00)
Share Suspense account - Allotment of equity shares pursuant to scheme of arrangement	17A	1,226.27
Balance as at 31 March 2019		1,226.27
Issue of equity share capital during the year	17	-
Balance as at 31 March 2020		**1,226.27**

b) Other equity

₹ in Lakhs

Particulars	Note	Reserves and surplus		Items of OCI	Total
		Capital reserve	Retained earnings	Remeasurements of defined benefit liability	
Balance as at 1 April 2018		-	(5.19)	-	(5.19)
Amount adjusted pursuant to Scheme of Arrangement		62,380.34	-	-	62,380.34
Total comprehensive income for the year ended 31 March 2019					
Profit or loss		-	4,412.75	-	4,412.75
Other comprehensive income (net of tax)		-	-	22.66	22.66
Total comprehensive income		-	4,412.75	22.66	4,435.41
Balance as at 31 March 2019		62,380.34	4,407.56	22.66	66,810.56
Balance as at 1 April 2019		62,380.34	4,407.56	22.66	66,810.56
Amount adjusted pursuant to Scheme of Arrangement		-	-	-	-
Total comprehensive income for the year ended 31 March 2020					
Profit or loss		-	1,619.92	-	1,619.92
Other comprehensive income (net of tax)		-	-	32.59	32.59
Total comprehensive income		-	1,619.92	32.59	1,652.51
Balance as at 31 March 2020		62,380.34	6,027.48	55.25	68,463.07
Significant accounting policies	3				

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached
For **S.S. Kothari Mehta & Company**
Chartered Accountants
Firm Registration number: 000756N

For and on behalf of Board of Directors of
Greenpanel Industries Limited
CIN: L20100AS2017PLC018272

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Lawkush Prasad
Company Secretary & AVP-Legal

Place : New Delhi
Dated : 18 June 2020

Place : Kolkata
Dated : 18 June 2020

Standalone Statement of Cash Flows for the year ended 31 March 2020

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
A. Cash flows from operating activities		
Profit before exceptional items and tax	2,428.64	2,193.76
Adjustments for:		
Depreciation and amortisation expense	6,537.86	5,031.60
Finance costs	2,956.44	2,391.15
Provision for doubtful debts	100.19	84.78
Loss on sale/discard of property, plant and equipment	32.47	5.05
Interest income	(202.82)	(69.03)
Unrealised foreign exchange fluctuations (net)	2,661.16	(695.43)
Government grants - EPCG scheme (refer note 22)	(1,853.94)	(545.00)
	10,231.36	6,203.12
Operating cash flows before working capital changes	12,660.00	8,396.88
Working capital adjustments:		
(Increase)/decrease in trade and other receivables	(2,806.28)	(1,918.09)
(Increase)/decrease in inventories	(2,307.51)	(2,873.79)
Increase/(decrease) in trade and other payables	3,188.49	(491.83)
	(1,925.30)	(5,283.71)
Cash generated from operating activities	10,734.70	3,113.17
Income tax paid (net)	(610.83)	(408.82)
Net cash from operating activities	10,123.87	2,704.35
B. Cash flows from investing activities		
Acquisition of property, plant and equipment	(2,562.68)	(10,537.66)
Acquisition of investments	(534.56)	(1,288.06)
Proceeds from sale of property, plant and equipment	158.28	8.06
Interest received	187.06	69.03
Net cash used in investing activities	(2,751.90)	(11,748.63)
C. Cash flows from financing activities		
Proceeds from long term borrowings	-	13,275.59
Proceeds from short term borrowings (net)	2,728.94	1,494.20
Repayment of long term borrowings	(8,014.02)	(1,728.28)
Interest paid	(2,477.38)	(2,578.15)
Payment of lease liabilities	(371.99)	-
Interest paid on lease liabilities	(110.83)	-
Processing fees paid for long term borrowings	-	(12.65)
Net cash flow from financing activities	(8,245.28)	10,450.71
Net (decrease)/increase in cash and cash equivalents	(873.31)	1,406.43
Cash and cash equivalents at 1 April 2019 (refer note 12)	1,810.37	5.07
Add: Amount adjusted pursuant to Scheme of Arrangement	-	398.87
Cash and cash equivalents at 31 March 2020 (refer note 12)	937.06	1,810.37

Notes:

(i) Standalone Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 specified under Section 133 of the Companies Act, 2013.
(ii) Acquisition of property, plant and equipment includes movements of capital work-in-progress (including capital advances and liability for capital goods) during the year.
(iii) Change in liabilities arising from financing activities:

₹ in Lakhs

Particulars	As on 31 March 2019	Cash flows	Fair value changes	As on 31 March 2020
Non-current Borrowings including current maturities (Note 19)	53,315.61	(8,014.02)	2,906.72	**48,208.31**
Current Borrowings (Note 19)	4,541.70	2,728.94	-	**7,270.64**

As per our report of even date attached
For **S.S. Kothari Mehta & Company**
Chartered Accountants
Firm Registration number: 000756N

For and on behalf of Board of Directors of
Greenpanel Industries Limited
CIN: L20100AS2017PLC018272

Sunil Wahal
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(DIN : 00237242)

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Managing Director & CEO
(DIN : 00347517)

V. Venkatramani
Chief Financial Officer

Lawkush Prasad
Company Secretary & AVP-Legal

Place : New Delhi
Dated : 18 June 2020

Place : Kolkata
Dated : 18 June 2020

Notes to the standalone financial statements for the year ended 31 March 2020

1. Reporting entity

Greenpanel Industries Limited (the 'Company') is a public company domiciled in India having its registered office situated at Makum Road, P.O. Tinsukia, Assam-786125, India. The Company has been incorporated under the provisions of the Indian Companies Act. The Company is primarily involved in manufacturing of plywood, medium density fibre boards (MDF) and allied products. The Company has an overseas wholly owned subsidiary company namely Greenpanel Singapore Pte. Limited, incorporated in Singapore, is engaged into trading of Medium Density Fibreboards and allied products.

2. Basis of preparation

a. Statement of compliance

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

The standalone financial statements are authorised for issue by the Board of Directors of the Company at their meeting held on 18 June 2020.

The details of the Company's accounting policies are included in note 3

b. Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

c. Basis of measurement

The standalone financial statements have been prepared on historical cost basis, except for the following items:

Items	Measurement
Derivative financial instruments	Fair value
Net defined benefit (asset)/ liability	Present value of defined benefit obligations

d. Use of estimates and judgements

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the standalone financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the note on lease classification.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the standalone financial statements for the every period ended is included in the following notes:

- Note 4 – useful life and residual value of property, plant and equipment;
- Note 31 – measurement of defined benefit obligations: key actuarial assumptions;
- Note 35 – recognition of deferred tax assets;
- Note 37 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 42 – impairment of financial assets: key assumptions used in estimating recoverable cash flows

e. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management has overall responsibility for overseeing all significant fair value measurements and it regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS,

Notes to the standalone financial statements for the year ended 31 March 2020

including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Company's audit committee.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 41.

3. Significant accounting policies

a. Current and non-current classification

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

Assets

An asset is classified as current when it satisfies any of the following criteria:

(i) it is expected to be realised in, or is intended for sale or consumption in the Company's normal operating cycle;

(ii) it is held primarily for the purpose of being traded;

(iii) it is expected to be realised within 12 months after the reporting date; or

(iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

(i) it is expected to be settled in the Company's normal operating cycle;

(ii) it is held primarily for the purpose of being traded;

(iii) it is due to be settled within 12 months after the reporting date; or

(iv) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

b. Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the Company at the exchange rates prevailing

Notes to the standalone financial statements for the year ended 31 March 2020

at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences are recognised in the Statement of Profit and Loss in the period in which they arise.

c. Financial instruments

(i) Recognition and initial measurement

Trade Receivables are initially recognised when they are originated. All financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. Trade receivables are initially measured at transaction price.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified and measured at:

- Amortised cost; or
- Fair value through Profit or Loss (FVTPL); or
- Fair value through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

(a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The effective interest rate (EIR) method of amortisation is included in finance income in the Statement of Profit and Loss. This category generally applies to long-term deposits and long-term trade receivables.

Financial assets at FVTPL

All financial assets which are not classified and measured at amortised cost or Fair value through other comprehensive income (FVOCI) as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest (SPPI).

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and

Notes to the standalone financial statements for the year ended 31 March 2020

- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.

Investments in subsidiaries are carried at cost in standalone financial statements

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL.

Financial liabilities through FVTPL

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Financial liabilities at amortised cost

Other financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss. Interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

Financial guarantee liabilities

Financial guarantees issued by the Company are those contracts that require payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value net off transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

(iii) Derecognition

Financial assets

The Company derecognises a financial asset:

- when the contractual rights to the cash flows from the financial asset expire, or
- it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Statement of Profit and Loss.

Notes to the standalone financial statements for the year ended 31 March 2020

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Derivative financial instruments

The Company holds derivative financial instruments, such as foreign currency forward contracts, interest rate swaps, to hedge its foreign currency and interest rate risk exposures.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

d. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Borrowing costs directly attributable to the acquisition or construction of those qualifying property, plant and equipment, which necessarily take a substantial period of time to get ready for their intended use, are capitalised. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate components of property, plant and equipment.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss. Property, plant and equipment under construction are disclosed as Capital work-in-progress. Assets retired from active use and held for disposal are stated at the lower of their net book value and fair value less cost to sell and shown under 'Current assets'.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation and amortisation

Depreciation and amortisation for the year is recognised in the Statement of Profit and Loss. Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight line method over the useful lives of assets, in the manner specified in Part C of Schedule II of the Act.

Assets acquired under finance lease are depreciated over the shorter of the lease term and their useful life unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

Freehold land is not depreciated.

Leasehold land (includes development cost) is amortised on a straight line basis over the period of respective lease, except leasehold land acquired on perpetual lease. Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted as appropriate.

The estimated useful lives of items of property, plant and equipment are as follows:

Asset	Useful life as per Schedule II
Buildings	3 to 60 years
Plant and equipments	15 to 25 years
Furniture and fixtures	10 years
Vehicles	8 to 10 years
Office equipments	3 to 10 years

Notes to the standalone financial statements for the year ended 31 March 2020

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Depreciation on additions (discard/disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (discarded/disposed off).

e. Intangible assets

(i) Recognition and measurement

Intangible assets are initially measured at cost and subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

(iii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in Statement of Profit and Loss.

The estimated useful lives are as follows:

- Computer software 5 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

f. Inventories

Inventories which comprise raw materials, work-in-progress, finished goods, packing materials, stores and spares are measured at the lower of cost and net realisable value.

The cost of inventories is ascertained on the 'weighted average' basis, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Assessment of net realisable value is made at each subsequent reporting date. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the amount of the write-down is reversed.

g. Impairment

(i) Impairment of financial instruments: financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivable with no significant financing component is measured at an amount equal to lifetime of the ECL. For all other financial assets, expected credit losses are measured unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime of the ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in Statement of Profit and Loss.

Notes to the standalone financial statements for the year ended 31 March 2020

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including subsequent information. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets (e.g. corporate office for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

h. Non-current assets or disposal group held for sale

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Company's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

Notes to the standalone financial statements for the year ended 31 March 2020

i. Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into Employees' Provident Fund established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions under employee provident fund to Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in Statement of Profit and Loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed quarterly by an independent qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements. The Company recognises all actuarial gains and losses arising from defined benefit plan immediately in the Statement of Profit and Loss.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other comprehensive income (OCI). The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iv) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Such benefits are in form of leave encashment that accrue to employees in return of their service. The calculation of other long term employee benefits is performed quarterly by an independent qualified actuary using the projected unit credit method. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other comprehensive income (OCI). Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

(v) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

Notes to the standalone financial statements for the year ended 31 March 2020

j. Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

k. Revenue

(i) Sale of goods

The Company follows Ind AS 115 "Revenue from Contracts with Customers".

The Company manufactures and sells in plywood and allied products, medium density fibreboard and allied products. Sales are recognised when control of the products has transferred, being when the products are delivered to the dealer, the dealer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the dealer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risk of obsolescence and loss have been transferred to the dealer, and either the dealer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

The products are often sold with retrospective volume discounts based on aggregate sales over a 12 months period, cash discount on payment within specified period, promotional gift on achieving specific targets, quality claims if claims made in the specified period and other promotional expenses such as tours and travel packages to dealer, etc. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts, cash discounts, quality claims and promotional expenses. Accumulated experience is used to estimate and provide for the discounts/claims/provisions, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability (netted off with trade receivables) is recognised for expected volume discount payables, expected cash discount payables and expected quality claims to dealers in relation to sale made until the end of reporting period. Provision (included in other current liabilities) is recognised for expected sales promotional expenses against the sales made until the end of reporting period. No element of financing is deemed present as the sales are made with a credit term of 30-90 days, which is consistent with market practice.

(ii) Rental income

Rental income is recognised as part of other income on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation.

(iii) Insurance claim

Insurance claim due to uncertainty in realisation are accounted for on acceptance basis.

l. Government Grants

Grants from Government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with the conditions attached thereto.

Government grants related to revenue are recognised in the Statement of Profit and Loss on a systematic and rational basis in the periods in which the Company recognises the related costs for which the grants are intended to compensate and are netted off with the related expenditure. If not related to a specific expenditure, it is taken as income and presented under "Other Income".

Government grants relating to property, plant and equipment are treated as deferred income and are credited to the statement of profit and loss on a systematic basis over the expected useful life of the related asset to match them with the costs for which they are intended to compensate and presented within other income.

m. Leases

(i) Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. The arrangement is, or contains, a

Notes to the standalone financial statements for the year ended 31 March 2020

lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

(ii) Assets held under leases

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's Balance Sheet.

The Company has adopted Ind AS 116, Leases from 1 April 2019. Ind AS 116 is a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, Leases.

The Company has recognised new assets and liabilities for its operating leases of land and office premises facilities. The nature of expenses related to those leases has now changed because the Company has recognised a depreciation charge for right-of-use assets and interest expense on lease liabilities.

Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

(iii) Lease payments

Payments made under operating leases are generally recognised in Statement of Profit and Loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease. Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

n. Recognition of dividend income, interest income or expense

Dividend income is recognised in Statement of Profit and Loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

o. Income tax

Income tax expense comprises of current tax and deferred tax. Current tax and deferred tax is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Notes to the standalone financial statements for the year ended 31 March 2020

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are off set only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (tax base). Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to off set current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

In case of tax payable as Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961, the credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

p. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

Notes to the standalone financial statements for the year ended 31 March 2020

q. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

r. Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors of the Company.

s. Cash and cash equivalents

Cash and cash equivalents include cash and cash-on-deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash and cash equivalents.

t. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

u. Earnings per share

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

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

v. Operating segment

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance. The CODM consists of the Executive Chairman, Managing Director & CEO and Chief Financial Officer.

The Company has currently two reportable segments namely:

i) Plywood and allied products

ii) Medium density fibreboards and allied products

w. Determination of fair values

Fair values have been determined for measurement and disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Non-derivative financial assets

Non-derivative financial assets are initially measured at fair value. If the financial asset is not subsequently accounted for at fair value through profit or loss, then the initial measurement includes directly attributable transaction costs. These are measured at amortised cost or at FVTPL. Investments in quoted equity instruments are measured at FVTPL.

(ii) Trade and other receivables

The fair values of trade and other receivables are estimated at the present value of future cash flows, discounted at the market rate of interest at the measurement date. Short-term receivables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and, for disclosure purposes, at each annual reporting date.

(iii) Derivative financial liabilities

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

(iv) Other non-derivative financial liabilities

Other non-derivative financial liabilities are measured at fair value, at initial recognition and for disclosure purposes, at each annual reporting date. Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

Notes to the standalone financial statements for the year ended 31 March 2020

4. Property, plant and equipment

See accounting policy in note 3(d) and (g)

(a) Reconciliation of carrying amount

₹ in Lakhs

	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
Cost (Gross carrying amount)							
Balance at 1 April 2018	-	-	-	-	-	-	-
Add: Amount adjusted pursuant to Scheme of Arrangement	4,792.75	6,078.97	41,536.25	1,163.33	2,013.51	905.18	56,489.99
Additions	741.14	6,213.75	72,422.50	1,155.99	322.54	328.27	81,184.19
Disposals/ discard	-	-	(32.30)	-	(14.40)	(10.89)	(57.59)
Balance at 31 March 2019	5,533.89	12,292.72	1,13,926.45	2,319.32	2,321.65	1,222.56	1,37,616.59
Balance at 1 April 2019	**5,533.89**	**12,292.72**	**1,13,926.45**	**2,319.32**	**2,321.65**	**1,222.56**	**1,37,616.59**
Add: Amount adjusted pursuant to Scheme of Arrangement	-	-	-	-	-	-	-
Additions	**1.57**	**289.89**	**338.10**	**197.41**	**27.79**	**70.63**	**925.39**
Disposals/ discard	**-**	**-**	**(31.24)**	**(46.28)**	**(374.90)**	**(6.65)**	**(459.07)**
Balance at 31 March 2020	**5,535.46**	**12,582.61**	**1,14,233.31**	**2,470.45**	**1,974.54**	**1,286.54**	**1,38,082.91**
Accumulated depreciation							
Balance at 1 April 2018	-	-	-	-	-	-	-
Add: Amount adjusted pursuant to Scheme of Arrangement	-	1,868.65	17,465.48	483.40	661.98	510.37	20,989.88
Depreciation for the year	-	390.82	4,026.25	161.36	255.58	152.84	4,986.85
Adjustments/ disposals	-	-	(21.79)	-	(12.33)	(10.36)	(44.48)
Balance at 31 March 2019	-	2,259.47	21,469.94	644.76	905.23	652.85	25,932.25
Balance at 1 April 2019	**-**	**2,259.47**	**21,469.94**	**644.76**	**905.23**	**652.85**	**25,932.25**
Add: Amount adjusted pursuant to Scheme of Arrangement	-	-	-	-	-	-	-
Depreciation for the year	**-**	**587.56**	**4,886.85**	**228.06**	**234.21**	**190.34**	**6,127.02**
Adjustments/ disposals	**-**	**-**	**(19.94)**	**(38.07)**	**(204.52)**	**(6.21)**	**(268.74)**
Balance at 31 March 2020	**-**	**2,847.03**	**26,336.85**	**834.75**	**934.92**	**836.98**	**31,790.53**
Carrying amounts (net)							
At 1 April 2018	-	-	-	-	-	-	-
At 31 March 2019	5,533.89	10,033.25	92,456.51	1,674.56	1,416.42	569.71	1,11,684.34
At 31 March 2020	**5,535.46**	**9,735.58**	**87,896.46**	**1,635.70**	**1,039.62**	**449.56**	**1,06,292.38**

(b) Security

As at 31 March 2020, properties with a carrying amount of **₹1,06,069.99 lakhs** (31 March 2019: ₹1,11,458.48 lakhs) are subject to first charge to secured borrowings (see Note 19).

5. Capital work-in-progress

See accounting policy in note 3(d) and (g)

₹ in Lakhs

	31 March 2020	31 March 2019
At the beginning of the year	379.33	-
Add: Amount adjusted pursuant to Scheme of Arrangement	-	73,348.65
Additions during the year	211.94	2,406.86
Capitalised during the year	22.43	75,376.18
At the end of the year	568.84	379.33
Capital work-in-progress includes:		
Expenditure incurred during construction period on new manufacturing facility of the Company:		
At the beginning of the year	-	-
Add: Amount adjusted pursuant to Scheme of Arrangement	-	7,056.14

Notes to the standalone financial statements for the year ended 31 March 2020

5. Capital work-in-progress *(contd.)*

₹ in Lakhs

	31 March 2020	31 March 2019
Additions during the year:		
Finance costs	-	517.26
Employees benefits expense	-	281.78
Legal and professional fees	-	236.22
Power & fuel expense	-	821.30
Miscellaneous expenses	-	187.91
	-	2,044.47
Less: Capitalised during the year	-	9,100.61
At the end of the year	-	-

Notes:

(a) As at 31 March 2020, general borrowing costs capitalised during the year amounted to ₹ **Nil** (31 March 2019: ₹114.03 lakhs)

(b) As at 31 March 2020, properties under capital work-in-progress with a carrying amount of ₹**568.84 lakhs** (31 March 2019: ₹379.33 lakhs) are subject to first charge to secured borrowings (see Note 19).

6. Other intangible assets

See accounting policy in note 3(e) and (g)

(a) Reconciliation of carrying amount

₹ in Lakhs

	Software
Cost (Gross carrying amount)	
Balance at 1 April 2018	-
Add: Amount adjusted pursuant to Scheme of Arrangement	222.01
Additions	-
Disposals/write-off	-
Balance at 31 March 2019	222.01
Balance at 1 April 2019	**222.01**
Add: Amount adjusted pursuant to Scheme of Arrangement	-
Additions	**10.00**
Disposals/write-off	**(0.42)**
Balance at 31 March 2020	**231.59**
Accumulated amortisation	
Balance at 1 April 2018	-
Add: Amount adjusted pursuant to Scheme of Arrangement	104.88
Amortisation for the year	44.75
Adjustments/ disposals	-
Balance at 31 March 2019	149.63
Balance at 1 April 2019	**149.63**
Add: Amount adjusted pursuant to Scheme of Arrangement	-
Amortisation for the year	**38.85**
Adjustments/ disposals	**(0.42)**
Balance at 31 March 2020	**188.06**
Carrying amounts (net)	
At 1 April 2018	-
At 31 March 2019	72.38
At 31 March 2020	**43.53**

Notes to the standalone financial statements for the year ended 31 March 2020

7. Investments

See accounting policy in note 3(c) and (g)

₹ in Lakhs

	31 March 2020	31 March 2019
Non-current investments		
Unquoted		
Equity instruments in subsidiaries carried at cost		
7,750,000 (31 March 2019: 7,000,000) equity shares of Greenpanel Singapore Pte. Ltd. (face value USD 1 each, fully paid-up)	5,244.62	4,710.06
	5,244.62	4,710.06
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate book value of unquoted investments	5,244.62	4,710.06

8. Loans

(Unsecured, considered good)

₹ in Lakhs

	31 March 2020	31 March 2019
Non-current		
Security deposits	1,409.87	1,054.48
Loan to employees	1.60	32.00
	1,411.47	1,086.48
Current		
Loan to employees	38.23	32.32
Security deposits	58.49	-
	96.72	32.32
	1,508.19	1,118.80

9. Non-current tax assets

See accounting policy in note 3(o)

₹ in Lakhs

	31 March 2020	31 March 2019
Income tax refund (net of provisions)	261.39	-
	261.39	-

Current tax liabilities

See accounting policy in note 3(o)

₹ in Lakhs

	31 March 2020	31 March 2019
Income tax liabilities (net of provisions)	-	90.59
	-	90.59

10. Inventories

(Valued at the lower of cost and net realisable value)

See accounting policy in note 3(f)

₹ in Lakhs

	31 March 2020	31 March 2019
Raw materials	4,740.47	3,695.02
[including in transit ₹ **Nil** (31 March 2019 ₹376.82 lakhs)]		
Work-in-progress	2,587.41	2,423.13
Finished goods	5,943.94	5,053.59
[including in transit **₹623.46 lakhs** (31 March 2019 ₹971.12 lakhs)]		
Stock in trade	32.10	-
Stores and spares	2,084.75	1,909.42
	15,388.67	13,081.16

Total carrying amount of inventories is pledged as securities against borrowings, refer note 19.

The write-down of inventories to net realisable value during the year amounting to **₹161.44 lakhs** (31 March 2019: ₹ Nil). These are recognised as expenses during the respective period and included in changes in inventories of stock in trade.

Notes to the standalone financial statements for the year ended 31 March 2020

11. Trade receivables

₹ in Lakhs

	31 March 2020	31 March 2019
Current		
Unsecured		
- Considered good	7,052.11	5,236.25
- Credit Impaired	426.57	326.38
	7,478.68	5,562.63
Less: Loss for allowances		
- Credit Impaired	426.57	326.38
Net trade receivables	7,052.11	5,236.25
Of the above		
Trade receivables from related parties	43.64	2,362.04

Notes:

(a) No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

(b) Information about the Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 42. Provision as disclosed above is on case to case basis as identified by the management.

(c) For terms and conditions of trade receivables owing from related parties, see note 39.

(d) For receivables secured against borrowings, see note 19.

12. Cash and cash equivalents

See accounting policy in note 3(s)

₹ in Lakhs

	31 March 2020	31 March 2019
Cash on hand	22.19	19.30
Balances with banks		
- On current accounts	414.87	791.07
- On deposit accounts (with original maturities up to 3 months)	500.00	1,000.00
	937.06	1,810.37

13. Other bank balances

₹ in Lakhs

	31 March 2020	31 March 2019
Bank deposits due to mature after 3 months of original maturities but within 12 months of the reporting date*	28.93	28.54
	28.93	28.54

*Pledged/lodged with various government authorities as security

14. Other non-current assets

(Unsecured, considered good)

₹ in Lakhs

	31 March 2020	31 March 2019
Capital advances	104.86	207.98
Others		
Unmatured finance charges	77.01	136.24
Prepaid expenses	17.51	-
Leasehold land prepayments	-	1,225.51
Balances with banks on deposit accounts	1,200.00	-
Deposits against demand under appeal and/or under dispute	14.70	14.70
Amount due from sales tax authorities	75.85	69.04
	1,489.93	1,653.47

Notes to the standalone financial statements for the year ended 31 March 2020

15. Other financial assets

₹ in Lakhs

	31 March 2020	31 March 2019
Current		
Government grants receivable	3,947.87	2,892.73
Export incentive receivable	48.69	18.95
Insurance claim receivable	4.12	3.79
Interest Receivable	15.76	3.22
	4,016.44	2,918.69

16. Other current assets

(Unsecured, considered good)

₹ in Lakhs

	31 March 2020	31 March 2019
To parties other than related parties		
Advances for supplies	363.48	265.98
Advances to employees	27.72	8.32
Others		
Prepaid expenses	514.11	655.78
Unmatured finance charges	51.04	77.26
Leasehold land prepayments	-	16.31
Balance with goods and service tax authorities	2,454.40	4,754.19
	3,410.75	5,777.84

17. Equity share capital

See accounting policy in note 3(q)

₹ in Lakhs

	31 March 2020	31 March 2019
Authorised		
150,000,000 (31 March 2019: 150,000,000) equity shares of ₹1 each	1,500.00	1,500.00
Issued, subscribed and fully paid-up		
122,627,395 (31 March 2019: Nil) equity shares of ₹1 each	1,226.27	-

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

₹ in Lakhs

	31 March 2020		31 March 2019	
	Number	Amount	Number	Amount
At the commencement of the year	-	-	10,00,000	10.00
Add: Issued pursuant to scheme of arrangement	12,26,27,395	1,226.27	-	-
Less: Cancelled pursuant to scheme of arrangement	-	-	10,00,000	10.00
At the end of the year	12,26,27,395	1,226.27	-	-

(b) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares with par value of ₹1 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared by the Company from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

Notes to the standalone financial statements for the year ended 31 March 2020

17. Equity share capital *(contd.)*

(c) Particulars of shareholders holding more than 5% shares of fully paid up equity shares

₹ in Lakhs

Equity shares of ₹1 each	31 March 2020		31 March 2019	
	Number	%	Number	%
S. M. Management Pvt. Ltd.	3,16,26,965	25.79%	-	-
Prime Holdings Pvt. Ltd.	1,33,32,800	10.87%	-	-
Jwalamukhi Investment Holdings	1,17,87,720	9.61%	-	-
Shobhan Mittal	1,05,88,380	8.63%	-	-
HDFC Trustee Company Ltd.	77,12,011	6.29%	-	-

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

(e) The Company for the period of five years immediately preceding the reporting date has not:

(i) Allotted any class of shares as fully paid pursuant to contract(s) without payment being received in cash.

(ii) Allotted fully paid up shares by way of bonus shares.

(iii) Bought back any class of shares.

17A. Equity share capital suspense

₹ in Lakhs

	31 March 2020	31 March 2019
Equity share capital suspense	-	1,226.27

Note: Nil (31 March 2019: 12,26,27,395) equity shares of Re. 1 each, fully paid, to be issued pursuant to scheme of arrangement of Greenply Industries Limited with the Company.

18. Other equity

₹ in Lakhs

	31 March 2020	31 March 2019
Capital reserve		
At the commencement of the year	62,380.34	-
Add: Amount adjusted pursuant to Scheme of Arrangement	-	62,380.34
	62,380.34	62,380.34
Retained earnings		
At the commencement of the year	4,407.56	(5.19)
Add: Profit for the year	1,619.92	4,412.75
	6,027.48	4,407.56
Other comprehensive income (OCI)		
At the commencement of the year	22.66	-
Remeasurements of the net defined benefit plans	32.59	22.66
	55.25	22.66
	68,463.07	66,810.56

(a) Description, nature and purpose of reserve:

(i) Capital reserve: The capital reserve is created on account of the net assets transferred pursuant to the scheme of arrangement

(ii) Retained earnings: It comprises of accumulated profit/ (loss) of the Company.

(iii) Other comprehensive income (OCI): It comprises of remeasurements of the net defined benefit plans on actuarial valuation of gratuity.

(b) Disaggregation of changes in items of OCI

₹ in Lakhs

	31 March 2020	31 March 2019
Retained earnings		
Remeasurements of defined benefit liability/ (asset)	55.25	22.66

Notes to the standalone financial statements for the year ended 31 March 2020

19. Borrowings

See accounting policy in note 3(b), (c) and (p)

₹ in Lakhs

	31 March 2020	31 March 2019
Non-current borrowings		
Secured		
Term loans		
From banks		
Foreign currency loans	38,187.09	38,646.86
Rupee loans	9,216.99	13,479.19
	47,404.08	52,126.05
Less: Current maturities of long term borrowings (refer note 20)	4,911.22	7,663.70
	42,492.86	44,462.35
Loan against vehicles	804.23	1,189.56
Less: Current maturities of loan against vehicles (refer note 20)	216.35	286.25
	587.88	903.31
	43,080.74	45,365.66
Current borrowings		
Secured		
From banks		
Foreign currency loan - buyers credit	487.15	256.47
Foreign currency loan - Packing Credit	509.06	291.43
Rupee loans - repayable on demand	5,886.50	1,688.81
	6,882.71	2,236.71
Unsecured		
From banks		
Channel finance assurance facility	302.10	210.65
Foreign currency loan - bill discounting	85.83	159.68
Rupee loans - bill discounting	-	1,934.66
	387.93	2,304.99
	7,270.64	4,541.70

Information about the Company's exposure to credit and currency risks, and loss allowances related to borrowings are disclosed in note 42.

(A) Terms of repayment

₹ in Lakhs

Name of the lender	Interest rate	Repayment schedule	Year of maturity	31 March 2020	31 March 2019
(i) Foreign currency term loans					
Landesbank Baden-Wurttenberg **[EUR 378.64 lakhs** (31 March 2019: EUR 420.71 lakhs)]	6 month Euribor +0.50%	Repayable at half yearly rest: 17 of EUR 22.27 lakhs	2028-29	31,552.49	32,611.19
Standard Chartered Bank **[USD 104.50 lakhs** (31 March 2019: USD 110 lakhs)]	3 month USD Libor +1.55%	Repayable at quarterly rest: 19 of USD 5.50 lakhs	2024-25	7,899.16	7,602.10
				39,451.65	40,213.29
Unamortised processing fees				(1,264.56)	(1,566.43)
				38,187.09	38,646.86
(ii) Rupee term loans					
HDFC Bank Limited	6 month MCLR + 1.50%	Repayable at quarterly rest: 18 of ₹400 lakhs	2024-25	7,200.00	10,000.00
Axis Bank Limited	6 month MCLR + 1.35%	Repayable at quarterly rest: 13 of ₹156.25 lakhs	2023-24	2,031.25	2,500.00
State Bank of India				-	504.00
State Bank of India				-	500.00
				9,231.25	13,504.00
Unamortised processing fees				(14.26)	(24.81)
				9,216.99	13,479.19
Total				47,404.08	52,126.05

Notes to the standalone financial statements for the year ended 31 March 2020

19. Borrowings *(contd.)*

(B) Details of security

(a) Term loan from Landesbank Baden-Wurttenberg (LBBW) of **₹31,552.49 lakhs** (31 March 2019: ₹32,611.19 lakhs) is secured by exclusive charge on Main Press Line of MDF plant at Chittoor, Andhra Pradesh along with any other movable fixed assets financed by Landesbank Baden-Wurttenberg. Vide letter dated June 14, 2019, the loan is to be further secured by:

i) Exclusive charge over main press line of MDF plant at Pantnagar (Uttarakhand)

ii) Corporate guarantee from Greenply Industries Limited in favor of LBBW of EURO 12.5 million;

iii) Debt Service Reserve Account in EURO/₹ for one repayment instalment plus interest, pledged to LBBW

(b) Other term loans of **₹17,130.41 lakhs** (31 March 2019: ₹21,106.10 lakhs) are secured by:

(i) First pari passu charge on immovable fixed assets of the Company at Pantnagar (Uttarakhand) and Chittoor (Andhra Pradesh).

(ii) First pari passu charge on all movable fixed assets of the Company except assets exclusively charged to other lender(s) (including the main press line of MDF plant at Pantnagar and the main press line of MDF plant at Chittor (Andhra Pradesh) along with any other movable fixed assets exclusively charged to Landesbank Baden-Wurttenberg).

(iii) Second pari passu charge on all current assets of the Company.

(c) Secured Loan against vehicles and equipments are in respect of finance of vehicles, secured by hypothecation of the respective vehicles.

(d) Working capital loans of **₹5,886.50 lakhs** (31 March 2019: ₹1,688.81 lakhs) are secured by:

(i) First pari passu charge on all current assets of the Company.

(ii) Second pari passu charge on immovable fixed assets of the Company at Pantnagar (Uttarakhand) and Chittoor (Andhra Pradesh).

(iii) Second pari passu charge on all movable fixed assets of the Company except assets exclusively charged to other lender(s) (including the main press line of MDF plant at Pantnagar and the main press line of MDF plant at Chittor (Andhra Pradesh) along with any other movable fixed assets exclusively charged to Landesbank Baden-Wurttenberg).

(e) Foreign currency loan - buyers credit of **₹487.15 lakhs** (31 March 2019: ₹256.47 lakhs) is secured by letter of credit/letter of undertaking issued by banks.

20. Other financial liabilities

₹ in Lakhs

	31 March 2020	31 March 2019
Non-current		
Security deposits from customers	1,270.26	1,253.00
Liabilities against right to use assets	1,025.38	-
	2,295.64	1,253.00
Current		
Current maturities of long term borrowings (refer note 19)	4,911.22	7,663.70
Current maturities of loan against vehicles and equipments (refer note 19)	216.35	286.25
Interest accrued but not due on borrowings	162.07	106.27
Liabilities against right to use assets	212.69	-
Liability for capital goods	867.33	2,408.23
Employee benefits payable	341.26	315.72
	6,710.92	10,780.17

(a) There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at 31 March 2020.

(b) Information about the Company's exposure to currency and liquidity risks related to the above financial liabilities is disclosed in note 42.

Notes to the standalone financial statements for the year ended 31 March 2020

21. Provisions

See accounting policy in note 3(i) and (j)

₹ in Lakhs

	31 March 2020	31 March 2019
Non-current		
Provisions for employee benefits:		
Net defined benefit liability - gratuity	607.98	459.26
Liability for compensated absences	359.41	331.56
	967.39	790.82
Current		
Provisions for employee benefits:		
Net defined benefit liability - gratuity	142.53	225.62
Liability for compensated absences	88.75	157.41
	231.28	383.03

22. Other non-current liabilities

₹ in Lakhs

	31 March 2020	31 March 2019
Deferred income on Government grants	2,866.01	4,529.95

Government grants have been received for the import of certain items of property, plant and equipment under export promotion capital goods (EPCG) scheme of Government of India. The Company has certain export obligations against such benefits availed which the Company will fulfill within the required time period under the scheme. For contingencies attached to these grants, refer note 37.

23. Trade payables

₹ in Lakhs

	31 March 2020	31 March 2019
Dues to micro and small enterprises (Refer note 46)	1.72	0.81
Dues to other than micro and small enterprises	12,273.21	8,149.41
	12,274.93	8,150.22
Of the above		
Trade payables to related parties	224.13	3.84

Information about the Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 42.

24. Derivatives

See accounting policy in note 3(c)(v)

₹ in Lakhs

	31 March 2020	31 March 2019
Current		
Foreign exchange forward contracts	(27.20)	12.74
Foreign exchange interest rate swaps	326.15	(23.13)
Foreign exchange currency swaps	(851.36)	-
(Asset)/Liability	(552.41)	(10.39)

Information about the Company's exposure to interest rate and currency risks related to derivatives is disclosed in note 42.

25. Other current liabilities

₹ in Lakhs

	31 March 2020	31 March 2019
Statutory dues	332.15	652.92
Deferred income on Government grants	2,210.00	2,400.00
Advance from customers	633.84	301.43
	3,175.99	3,354.35

Notes to the standalone financial statements for the year ended 31 March 2020

26. Revenue from operations

See accounting policy in note 3(k) and (l)

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Sale of products		
Finished goods	82,697.62	57,082.49
Stock-in-trade	335.04	-
	83,032.66	57,082.49
Other operating revenue		
Government grants		
- Refund of goods and service tax and excise duty (refer note 47)	731.72	876.55
- Government grants - EPCG scheme (refer note 22)	1,853.94	545.00
Export incentives	189.21	84.02
Miscellaneous income	171.86	143.35
	2,946.73	1,648.92
	85,979.39	58,731.41
Reconciliation of revenue from sale of products with the contracted price		
Contracted price	88,811.47	61,286.53
Less : Trade discounts, volume rebates etc.	(5,778.81)	(4,204.04)
Sale of products	83,032.66	57,082.49

Disaggregated revenue information

The disaggregation of the Company's revenue from contracts with customers as under:

₹ in Lakhs

Segment	Year ended 31 March 2020		
	Plywood and allied products	Medium Density Fibre Board and allied products	Total
Type of Goods			
Finished goods	21,210.73	61,486.89	82,697.62
Stock-in-trade	335.04	-	335.04
Sale of products	21,545.77	61,486.89	83,032.66
Revenue by geography			
- India	21,545.77	47,853.01	69,398.78
- Outside India	-	13,633.88	13,633.88
Total revenue from contracts with customers	21,545.77	61,486.89	83,032.66

₹ in Lakhs

Segment	Year ended 31 March 2019		
	Plywood and allied products	Medium Density Fibre Board and allied products	Total
Type of Goods			
Finished goods	14,116.15	42,966.34	57,082.49
Stock-in-trade	-	-	-
Sale of products	14,116.15	42,966.34	57,082.49
Revenue by geography			
- India	14,116.15	37,264.83	51,380.98
- Outside India	-	5,701.51	5,701.51
Total revenue from contracts with customers	14,116.15	42,966.34	57,082.49

The reconciliation of the revenue from contracts with customers and other operating revenue is given below :

₹ in Lakhs

Segment	Year ended 31 March 2020		
	Plywood and allied products	Medium Density Fibre Board and allied products	Total
Sale of goods			
- External customers	21,545.77	61,486.89	83,032.66
- Inter-segment	-	-	-
Other Operating Revenue	48.13	2,898.60	2,946.73
	21,593.90	64,385.49	85,979.39
Inter-segment elimination	-	-	-
Less: Other Operating Revenue	(48.13)	(2,898.60)	(2,946.73)
Total revenue from contracts with customers	21,545.77	61,486.89	83,032.66

Notes to the standalone financial statements for the year ended 31 March 2020

26. Revenue from operations *(contd.)*

₹ in Lakhs

Segment	Year ended 31 March 2019		
	Plywood and allied products	Medium Density Fibre Board and allied products	Total
Sale of goods			
- External customers	14,116.15	42,966.34	57,082.49
- Inter-segment	-	-	-
Other Operating Revenue	34.12	1,614.80	1,648.92
	14,150.27	44,581.14	58,731.41
Inter-segment elimination	-	-	-
Less: Other Operating Revenue	(34.12)	(1,614.80)	(1,648.92)
Total revenue from contracts with customers	14,116.15	42,966.34	57,082.49

a) The Company presented disaggregated revenue based on the type of goods sold to customers and location of customers. The Company's revenue is recognised for goods transferred at a point in time. The Company believes that the above disaggregation the best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are effected by industry, market and other economic factors. Segment wise nature, amount, timing and uncertainty of revenues and cash flows are described below:

Nature of goods or services	The Company manufactures and sales, plywood and other plywood-related allied products such as veneer, doors, etc, Medium Density Fibre Board and allied products such as fibre board, plank, etc.
When revenue is recognised	**For Domestic Customer :** Revenue is typically recognised when the goods are delivered to the customer's warehouses. **For Export Customer :** Revenue is typically recognised on the receipt of bill of lading.
Significant payment terms	Payment is received as per the agreed payment terms with customer.
Obligations for returns and refunds, if any	Customers have the right to return the goods to the company, if the customers are dissatisfied with the quality of product which is determined on a case to case basis by the company.

b) For contract balances i.e. trade receivables refer Note 11.

c) The amount of revenue from contracts with customers recognised in the statement of profit and loss is the contracted price.

27. Other income

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Interest on fixed deposits with banks and others	202.82	69.03
Unspent liabilities no longer required written back	-	165.99
Rental Income	0.87	-
Foreign exchange fluctuations	-	1,045.68
	203.69	1,280.70

28. Cost of materials consumed

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Inventory of raw materials at the beginning of the year	3,695.02	-
Add: Amount adjusted pursuant to Scheme of Arrangement	-	4,651.15
Add: Purchases	39,915.78	27,921.44
Less: Inventory of raw materials at the end of the year	(4,740.47)	(3,695.02)
	38,870.33	28,877.57

29. Purchase of stock in trade

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Purchase of traded goods	401.11	9.88
	401.11	9.88

Notes to the standalone financial statements for the year ended 31 March 2020

30. Changes in inventories of finished goods, work-in-progress and stock in trade

See accounting policy in note 3(f)

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Opening inventories		
Work-in-progress	2,423.13	-
Stock in trade	-	-
Finished goods	5,053.59	-
	7,476.72	-
Add: Amount adjusted pursuant to Scheme of Arrangement		
Work-in-progress	-	1,381.56
Stock in trade	-	-
Finished goods	-	2,155.22
	-	3,536.78
Closing inventories		
Work-in-progress	2,587.41	2,423.13
Stock in trade	32.10	-
Finished goods	5,943.94	5,053.59
	8,563.45	7,476.72
	(1,086.73)	(3,939.94)

31. Employees benefits expense

See accounting policy in note 3(i)

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Salaries, wages, bonus, etc.	8,290.46	6,651.23
Contribution to provident and other funds	535.71	423.76
Expenses related to post-employment defined benefit plan	181.44	151.33
Expenses related to compensated absences	138.66	160.96
Staff welfare expenses	131.46	99.49
	9,277.73	7,486.77

Salaries, wages, bonus, etc. includes **₹619.94 lakhs** (31 March 2019 ₹627.75 lakhs) relating to outsource manpower cost.

Notes:

(a) **Defined contribution plan:** Employee benefits in the form of provident fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organisation established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

(b) **Defined benefit plan:** Retirement benefits in the form of gratuity is considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972.

(c) Actuarial valuation of gratuity liability

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Defined benefit cost		
Current service cost	135.80	106.24
Interest expense on defined benefit obligation	45.64	45.08
Defined benefit cost in Statement of Profit and Loss	181.44	151.32
Remeasurements from financial assumptions	60.85	8.10
Remeasurements from experience adjustments	(110.95)	(42.92)
Defined benefit cost in Other Comprehensive Income (OCI)	(50.10)	(34.82)
Total defined benefit cost in Statement of Profit and Loss and OCI	131.34	116.50

Notes to the standalone financial statements for the year ended 31 March 2020

31. Employees benefits expense *(contd.)*

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Movement in defined benefit obligation		
Balance at the beginning of the year	684.88	602.65
Interest cost	135.80	106.24
Current service cost	45.64	45.08
Actuarial (gains)/ losses recognised in other comprehensive income	(50.10)	(34.82)
Benefits paid	(65.71)	(34.27)
Balance at the end of the year	750.51	684.88
Sensitivity analysis		
Salary escalation - Increase by 1%	822.43	737.65
Salary escalation - Decrease by 1%	688.60	639.20
Withdrawal rates - Increase by 1%	751.80	689.00
Withdrawal rates - Decrease by 1%	748.53	679.88
Discount rates - Increase by 1%	690.63	639.32
Discount rates - Decrease by 1%	820.87	737.84
Actuarial assumptions		
Mortality table	IALM 2006-2008	IALM 2006-2008
Discount rate (per annum)	7.00%	7.70%
Rate of escalation in salary (per annum)	6.00%	6.00%
Withdrawal rate	1% - 8%	1% - 8%
Weighted average duration of defined benefit obligation (in years)	4.80	5.12

(d) Amount incurred as expense for defined contribution to Provident Fund is **₹455.44 lakhs** (31 March 2019 ₹339.33 lakhs)

32. Finance costs

See accounting policy in note 3(p)

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Interest expense on financial liabilities measured at amortised cost	2,504.59	2,264.84
Interest expense on right to use asset	110.83	-
Interest expense on mark to market valuation of IRS contracts	(502.09)	-
Exchange difference regarded as an adjustment to borrowing cost	2,312.39	381.44
Other borrowing cost	341.02	262.13
Less: Finance cost capitalised	-	(517.26)
	4,766.74	2,391.15

33. Depreciation and amortisation expense

See accounting policy in note 3(d)(iii) and (e)(iii)

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Depreciation of property, plant and equipment	6,127.02	4,986.85
Depreciation of right to use asset	371.99	-
Amortisation of intangible assets	38.85	44.75
	6,537.86	5,031.60

34. Other expenses

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Consumption of stores and spares	1,177.91	945.50
Power and fuel	10,086.67	6,747.53
Rent	155.57	441.40
Repairs to:		
- buildings	91.86	33.79
- plant and equipment	831.28	869.19
- others	528.21	479.40

Notes to the standalone financial statements for the year ended 31 March 2020

34. Other expenses *(contd.)*

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Insurance	266.35	194.86
Rates and taxes	22.48	49.21
Travelling expenses	1,158.88	759.61
Freight and delivery expenses	4,186.32	3,450.26
Export expenses	1,997.20	1,030.23
Advertisement and sales promotion	884.91	1,107.49
Commission	863.02	33.09
Directors sitting fees	19.58	2.36
Payment to auditors [refer note 34 (i) below]	25.96	21.90
Expenditure on corporate social responsibility	34.53	17.64
Loss on sale/discard of property, plant and equipment	32.47	5.05
Amortisation of leasehold land prepayments	-	16.31
Provision for doubtful debts	100.19	84.78
Foreign exchange fluctuations	373.14	-
Miscellaneous expenses	2,150.87	1,671.72
	24,987.40	17,961.32

34 (i) Payment to auditors

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
As auditors:		
- Statutory audit	21.00	21.00
- Tax audit	-	-
- Limited review of quarterly results	3.90	-
In other capacity		
- Certification fees	0.73	0.90
- Other services	-	-
Reimbursement of expenses	0.33	-
	25.96	21.90

35. Income tax

See accounting policy in note 3(o)

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
(a) Amount recognised in Profit and Loss		
Current tax	258.85	499.41
Earlier years tax	-	-
Income tax	258.85	499.41
Deferred tax	(275.02)	(2,218.99)
Mat credit	(258.85)	(499.41)
Deferred tax	(533.87)	(2,718.40)
Tax expense in Statement of Profit and Loss	(275.02)	(2,218.99)
Deferred tax in other comprehensive income	17.51	12.17
Tax expense in Total Comprehensive Income	(257.51)	(2,206.82)
(b) Reconciliation of effective tax rate for the year		
Profit before Tax	1,344.90	2,193.76
Applicable Income Tax rate	34.944%	34.944%
Computed tax expense	469.96	766.59
Additional deduction as per income tax	(15.44)	(2,907.17)
Non-deductible expenses for tax purposes	12.07	6.20
Permanent difference on account of EPCG income	(647.84)	-
Other temporary differences	(93.77)	(84.61)
Tax expense in Statement of Profit and Loss	(275.02)	(2,218.99)
(c) Recognised deferred tax assets and liabilities:		
Property, plant and equipment and intangible assets	15,434.77	14,733.94

Notes to the standalone financial statements for the year ended 31 March 2020

35. Income tax *(contd.)*

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Provisions for employee benefits	(483.02)	(468.35)
Provision for doubtful debts	(151.99)	(121.76)
Foreign exchange differences on account of mark to market valuation	(936.41)	-
Other temporary differences	(252.99)	(9.69)
Unabsorbed depreciation carried forward	(12,163.16)	(12,429.43)
Minimum Alternate Tax (MAT) credit	(758.26)	(499.41)
Deferred tax liabilities	688.94	1,205.30
(d) Reconciliation of Deferred Tax Liability:		
Temporary difference on account of:		
Property, plant and equipment and intangible assets	700.83	10,293.38
Provisions for employee benefits	(32.18)	(42.20)
Provision for doubtful debts	(30.23)	(31.12)
Foreign exchange differences on account of mark to market valuation	(936.41)	-
Other temporary differences	(243.30)	(9.62)
Unabsorbed depreciation carried forward	266.27	(12,429.43)
Minimum Alternate Tax (MAT) credit entitlement	(258.85)	(499.41)
Deferred tax in Statement of Profit and Loss	(533.87)	(2,718.40)
Temporary difference of liabilities in other comprehensive income	17.51	12.17
Deferred tax in Total Comprehensive Income	(516.36)	(2,706.23)
MAT credit utilisation in income tax for earlier years	-	-
Total Deferred tax	(516.36)	(2,706.23)

36. Earnings per share

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Basic and diluted earnings per share		
(i) Profit for the year, attributable to the equity shareholders	1,619.92	4,412.75
(ii) Weighted average number of equity shares		
- Number of equity shares at the beginning of the year	12,26,27,395	10,00,000
- Number of shares in Share capital suspense	-	12,26,27,395
- Cancelled pursuant to scheme of arrangement	-	10,00,000
- Number of equity shares at the end of the year	12,26,27,395	12,26,27,395
Weighted average number of equity shares	12,26,27,395	12,26,27,395
Basic and diluted earnings per share (₹) [(i)/(ii)]	1.32	3.60

37. Contingent liabilities and commitments

(to the extent not provided for)

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Contingent liabilities		
(a) Claims against the Company not acknowledged as debts:		
(i) Excise duty, sales tax and other indirect taxes in dispute	1,208.17	1,029.07
(b) Capital and other commitments		
(i) Estimated amount of export obligations to be fulfilled in respect of goods imported under Export Promotion Capital Goods scheme (EPCG)	33,614.22	43,943.10
(ii) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	340.25	-

Claim against the Company not acknowledged as debt:

Cash outflows for the above are determinable only on receipt of judgments pending at various forums/ authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

Notes to the standalone financial statements for the year ended 31 March 2020

38. Leases

See accounting policy in note 3(m)

Company as a lessee

The Company has lease contracts for offices and factory land. The Company's obligations under these leases are secured by the lessor's title to the leased assets. The Company is restricted from assigning and subleasing the leased assets. The Company also has certain leases of offices with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

(a) Carrying amounts of right-of-use assets

₹ in Lakhs

	Land	Offices	Total
Balance at 1 April 2019	1,241.82	1,586.74	2,828.56
Depreciation charge for the year	(16.31)	(355.68)	(371.99)
Balance at 31 March 2020	1,225.51	1,231.06	2,456.57

(b) Lease liabilities

₹ in Lakhs

	Total
Maturity analysis - contractual undiscounted cash flows	
Less than one year	313.62
One to five years	998.41
More than five years	304.73
Total undiscounted lease liabilities at 31 March 2020	1,616.76

₹ in Lakhs

	Total
Lease liabilities included in the balance sheet	
Current	212.69
Non-current	1,025.38
Lease liabilities included in the balance sheet at 31 March 2020	1,238.07

(c) Amount recognised in statement of profit and loss

₹ in Lakhs

	Total
Interest expenses on lease liabilities	110.83
Depreciation of right-of-use assets	371.99
Expenses relating to short-term leases (included in other expenses)	155.57
Total amount recognised in profit and loss	638.39

(d) Amount recognised in statement of cash flows

₹ in Lakhs

	Total
Total cash outflow for leases	(482.82)

Note: Effective 1 April 2019, the Company has adopted Ind AS 116 'Leases' using the modified retrospective approach and has applied the standard to its leases with the cumulative impact recognised on the date of initial application. The Company has accordingly recognised a right of use asset amounting to ₹1,586.74 lakhs and a corresponding lease liability amounting to ₹1,460.74 lakhs as at 1 April 2019, balance ₹126 lakhs being adjusted from prepaid expenses. Further, an amount of ₹1,241.82 lakhs has been reclassified from non-current/current assets to right of use assets for prepaid operating lease rentals. The adoption of this Standard did not have significant impact on the profit for the year ended 31 March 2020.

Notes to the standalone financial statements for the year ended 31 March 2020

39. Related party disclosure

a) Related parties where control exists

Wholly owned subsidiary company:

i) Greenpanel Singapore Pte. Limited, Singapore

b) Other related parties with whom transactions have taken place during the year

Key Management Personnel (KMP)

i) Mr. Shiv Prakash Mittal, Executive Chairman

ii) Mr. Shobhan Mittal, Managing Director & CEO

iii) Mr. Mahesh Kumar Jiwrajka, Non-Executive Independent Director

iv) Mr. Salil Kumar Bhandari, Non-Executive Independent Director

v) Mr. Arun Kumar Saraf, Non-Executive Independent Director (w.e.f. 14.08.2019)

vi) Ms. Sushmita Singha, Non-Executive Independent Director

vii) Mr. V. Venkatramani, Chief Financial Officer

viii) Mr. Lawkush Prasad, Company Secretary & Assistant Vice President-Legal (w.e.f. 05.02.2020)

ix) Mr. Banibrata Desarkar, Company Secretary & Vice President-Legal (upto 31.01.2020)

Relatives of Key Management Personnel (KMP)

i) Mrs. Chitwan Mittal (Wife of Mr. Shobhan Mittal)

c) Enterprises controlled by Key Management Personnel or their relatives

i) Greenlam Industries Limited

ii) Greenlam South Limited

iii) Greenply Industries Limited

d) Related party transactions

₹ in Lakhs

Name of the related party	Nature of transaction	31 March 2020	31 March 2019
Greenpanel Singapore Pte. Limited	Sale of products	5,230.45	5,860.66
	Investments	534.56	1,288.06
	Commission paid	822.26	-
Greenlam Industries Limited	Sale of products*	847.04	546.14
	Purchase of products*	97.35	137.36
	Rent paid	0.60	-
Greenlam South Limited	Rent paid	0.27	-
Greenply Industries Limited	Sale of products*	82.81	4,416.03
Mr. Shiv Prakash Mittal	Remuneration	118.80	245.14
Mr. Shobhan Mittal	Remuneration	76.93	75.40
Mr. Mahesh Kumar Jiwrajka	Sitting Fees	4.70	1.00
Mr. Salil Kumar Bhandari	Sitting Fees	6.30	0.50
Mr. Arun Kumar Saraf	Sitting Fees	1.70	-
Ms. Sushmita Singha	Sitting Fees	6.70	0.50
Mr. V. Venkatramani	Remuneration	108.93	-
Mr. Lawkush Prasad	Remuneration	3.88	-
Mr. Banibrata Desarkar	Remuneration	18.60	-
Mrs. Chitwan Mittal	Remuneration	29.23	28.23

Note : * indicates the amounts are inclusive of applicable Goods and Service Tax (GST)

Notes to the standalone financial statements for the year ended 31 March 2020

39. Related party disclosure *(contd.)*

e) Outstanding balances

₹ in Lakhs

Name of the related party	Nature of transaction	31 March 2020	31 March 2019
Greenpanel Singapore Pte. Limited	Sale of products	-	1,150.77
	Commission paid	203.23	-
Greenlam Industries Limited	Sale of products	43.64	66.04
	Purchase of products	20.90	3.84
Greenply Industries Limited	Sale of products	-	1,145.23

f) Key Management Personnel compensation

Key management personnels compensation comprised of the following:

₹ in Lakhs

Nature of transaction	31 March 2020	31 March 2019
Short-term employee benefits	293.08	277.94
Other long-term benefits	24.33	34.40
Perquisites	9.73	8.20
Total compensation paid to key management personnel	327.14	320.54

As the future liability for gratuity and compensated encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to each key management personnel is not separately ascertainable and, therefore, not included above. Based on the recommendation of the Nomination and Remuneration Committee, all decisions relating to the remuneration of the KMPs are taken by the Board of Directors of the Company, in accordance with shareholders' approval, wherever necessary.

g) Terms and conditions of transactions with related parties

Purchase from related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions with other vendors. Outstanding balances at the year-end are unsecured and will be settled in cash and cash equivalents.

The Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken in each financial year through examining the financial position of the related parties and the market in which the related party operates.

h) Details of loans, investments and guarantees covered under Section 186(4) of the Companies Act, 2013

(i)	Details of loans	Not Applicable
(ii)	Details of investments	Particulars of investments as required have been disclosed in note 7
(iii)	Details of guarantees	Not Applicable

40. Accounting classifications and fair values (Ind AS 107)

See accounting policy in note 3(c)

The fair values of financial assets and liabilities, together with the carrying amounts shown in the Standalone Balance Sheet are as follows:

₹ in Lakhs

	31 March 2020	31 March 2019
Financial assets at amortised cost		
Non-current		
Loans	1,411.47	1,086.48
Current		
Trade receivables	7,052.11	5,236.25
Cash and cash equivalents	937.06	1,810.37
Other bank balances	28.93	28.54
Loans	96.72	32.32
Other financial assets	4,016.44	2,918.69
	13,542.73	11,112.65
Financial assets at fair value through profit and loss		
Current		
Level 2		
Derivatives	552.41	10.39
	552.41	10.39
Total Financial Assets	14,095.14	11,123.04

Notes to the standalone financial statements for the year ended 31 March 2020

40. Accounting classifications and fair values (Ind AS 107) *(contd.)*

₹ in Lakhs

	31 March 2020	31 March 2019
Financial liabilities at amortised cost		
Non-current		
Borrowings	43,080.74	45,365.66
Other financial liabilities	2,295.64	1,253.00
Current		
Borrowings	7,270.64	4,541.70
Other financial liabilities	6,710.92	10,780.17
Trade payables	12,274.93	8,150.22
	71,632.87	70,090.75
Financial liabilities at fair value through profit and loss		
Current		
Level 2		
Derivatives	-	-
	71,632.87	70,090.75

41. Fair value measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

The Company has established the following fair value hierarchy that categories the value into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: The hierarchy uses quoted prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (for example traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Financial assets and liabilities measured at fair value - recurring fair value measurements are as follows:

₹ in Lakhs

Nature of transaction	31 March 2020	31 March 2019
Financial assets - Level 2		
Derivatives	552.41	10.39
Financial liabilities - Level 2		
Derivatives	-	-

The management assessed that trade receivables, cash and cash equivalent, other bank balances, trade payable, cash credits, borrowings and other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values:

(a) The fair value of the quoted investments are based on market price at the respective reporting date.

(b) The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves based on report obtained from banking partners.

(c) The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies based on report obtained from banking partners.

Notes to the standalone financial statements for the year ended 31 March 2020

42. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

(i) Credit risk

(ii) Liquidity risk

(iii) Market risk

Risk management framework

The Company's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company operations. The Company's principal financial assets, other than derivatives include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations. The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. Foreign currency options contract are entered to hedge certain foreign currency risk exposures and interest rate swaps to hedge variable interest rate exposures. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

The sources of risks which the Company is exposed to and their management is given below:

Risk	Exposure Arising from	Measurement	Management
Credit risk	Trade receivables, Investments, Derivative financial instruments, Loans	Ageing analysis, Credit rating	Diversification of mutual fund investments, Credit limit and credit worthiness monitoring, credit based approval process.
Liquidity risk	Borrowings and Other liabilities	Rolling cash flow forecasts	Adequate unused credit lines and borrowing facilities.
Market risk Foreign exchange risk	Committed commercial transaction, Financial asset and liabilities not denominated in ₹	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts.
Interest rate	Long term borrowings at variable rates	Sensitivity analysis Interest rate movements	Interest rate swaps

(i) Credit risk

Credit risk is the risk of financial loss of the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company receivables from customers and loans. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/investing activities, including deposits with bank, foreign exchange transactions and financial guarantees. The Company has no significant concentration of credit risk with any counterparty. The carrying amount of financial assets represent the maximum credit risk exposure.

Trade receivable

The management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

Exposure to credit risks

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. Details of concentration percentage of revenue generated from top customer and top five customers are stated below:

₹ in Lakhs

Particulars	31 March 2020	31 March 2019
Revenue from a top customer	6.29%	9.97%
Revenue from top five customers	16.02%	21.09%

Notes to the standalone financial statements for the year ended 31 March 2020

42. Financial risk management *(contd.)*

Trade receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. As per simplified approach, the Company makes provision of expected credit loss on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the credit loss allowance for trade receivables. The said provision has been netted off under trade receivables.

₹ in Lakhs

Particulars	31 March 2020	31 March 2019
Balance at the beginning	326.38	-
Add: Amount adjusted pursuant to Scheme of Arrangement	-	229.48
Impairment loss recognised	100.19	96.90
Balance at the end	426.57	326.38

The ageing analysis of the trade receivables (gross of provision) has been considered from the final due date of the invoice:

Ageing	Not Due	Less than 6 months	6-12 months	More than 1 year	Total
As at 31 March 2020					
Gross carrying amount	1,683.60	5,157.96	217.84	419.28	7,478.68
Expected credit loss (Provision for Bad Debts)	6.85	55.28	33.67	330.77	426.57
Carrying amount (net of impairment)	1,676.75	5,102.68	184.17	88.51	7,052.11

(ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, finding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

₹ in Lakhs

31 March 2020	< 1 year	1 - 5 years	> 5 years	Total
Borrowings (including current maturities)*	14,034.23	31,090.95	14,786.37	59,911.55
Trade payables	12,274.93	-	-	12,274.93
Other financial liabilities	1,421.28	2,028.41	267.23	3,716.92
	27,730.44	33,119.36	15,053.60	75,903.40

₹ in Lakhs

31 March 2019	< 1 year	1 - 5 years	> 5 years	Total
Borrowings (including current maturities)*	14,065.79	30,466.77	18,056.64	62,589.20
Trade payables	8,150.22	-	-	8,150.22
Other financial liabilities	2,723.95	1,253.00	-	3,976.95
	24,939.96	31,719.77	18,056.64	74,716.37

* including estimated interest

(iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument . The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings. The Company uses derivatives to manage market risks. All such transactions are carried out within the guidelines set by the management.

(a) Currency risk

Foreign currency risk is the risk impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the

Notes to the standalone financial statements for the year ended 31 March 2020

42. Financial risk management *(contd.)*

foreign currency borrowings, import of raw materials and spare parts, capital expenditure, exports of finished goods. The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures. It uses derivative instruments like foreign currency swaps and forwards to hedge exposure to foreign currency risk.

Exposure to currency risk

The Company's exposure to foreign currency at the end of the reporting period are as follows:

Particulars	Currency	31 March 2020		31 March 2019	
		Amount in Foreign currency	₹ in Lakhs	Amount in Foreign currency	₹ in Lakhs
Hedged exposures					
Borrowings	USD	1,04,50,000	7,899.16	-	-
Borrowings - Buyers credit	USD	6,44,464	487.15	3,71,102	256.47
Trade payables	EURO	88,056	73.38	2,18,797	169.60
	USD	1,98,103	149.75	1,77,416	122.61
			223.13		292.21
Unhedged exposures					
Borrowings	EURO	3,78,64,322	31,552.49	4,20,71,469	32,611.19
	USD	-	-	1,10,00,000	7,602.10
			31,552.49		40,213.29
Borrowings - Packing credit	USD	6,73,446	509.06	4,21,692	291.43
Borrowings - Foreign bill discounting	EURO	1,03,000	85.83	2,06,000	159.68
Trade payables	EURO	41,391	34.49	87,158	67.56
	USD	2,94,783	222.83	5,49,536	379.78
			257.32		447.34
Liability for Capital Goods	EURO	4,43,667	369.71	11,09,334	859.89
Interest accrued but not due on borrowings	EURO	88,876	74.06	72,179	55.95
	USD	39,188	29.62	38,958	26.92
			103.68		82.87
Trade receivables	USD	15,27,500	1,154.64	16,65,127	1,150.77

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD and EURO against Indian rupee at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

₹ in Lakhs

Particulars	Nature	Effect	31 March 2020	31 March 2019
USD (5% Movement)	Profit or loss	Strengthening	19.66	(357.47)
		Weakening	(19.66)	357.47
	Equity, net of tax	Strengthening	12.79	(233.76)
		Weakening	(12.79)	233.76
EUR (5% Movement)	Profit or loss	Strengthening	(1,605.83)	(1,687.71)
		Weakening	1,605.83	1,687.71
	Equity, net of tax	Strengthening	(1,044.69)	(1,103.63)
		Weakening	1,044.69	1,103.63

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates related primarily to the Company's short term borrowing with floating interest rates. For all long term borrowings with floating rates, the risk of variation in the interest rates in mitigated through interest rate swaps. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Exposure to interest rate risk

The interest rate profile of the Company 's interest bearing financial instruments at the end of the reporting period are as follows:

₹ in Lakhs

Particulars	31 March 2020	31 March 2019
Fixed rate instruments		
Financial assets	-	-

Notes to the standalone financial statements for the year ended 31 March 2020

42. Financial risk management *(contd.)*

₹ in Lakhs

Particulars	31 March 2020	31 March 2019
Financial liabilities	(804.23)	(1,189.56)
	(804.23)	(1,189.56)
Effect of interest rate swaps	(7,899.16)	(7,602.10)
	(8,703.39)	(8,791.66)
Variable rate instruments		
Financial assets	-	-
Financial liabilities	(55,651.44)	(58,048.35)
	(55,651.44)	(58,048.35)
Effect of interest rate swaps	7,899.16	7,602.10
	(47,752.28)	(50,446.25)

Sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

In case of variable rate instrument from Landesbank Baden-Wurttenberg, the EURIBOR element is negative since long and seems to continue for a foreseeable period, and as such the sensitivity analysis below is unrepresentative of a risk inherent in the said financial instrument.

A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below:

₹ in Lakhs

Particulars	Nature	Effect	31 March 2020	31 March 2019
Variable rate instruments	Profit or loss	Strengthening	(556.51)	(580.48)
		Weakening	556.51	580.48
	Equity, net of tax	Strengthening	(362.04)	(379.59)
		Weakening	362.04	379.59
Interest rate swap	Profit or loss	Strengthening	78.99	76.02
		Weakening	(78.99)	(76.02)
	Equity, net of tax	Strengthening	51.39	49.71
		Weakening	(51.39)	(49.71)
Cash flow sensitivity (net)	Profit or loss	Strengthening	(477.52)	(504.46)
		Weakening	477.52	504.46
	Equity, net of tax	Strengthening	(310.66)	(329.88)
		Weakening	310.66	329.88

43. Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Company's objective when managing capital are to: (a) to maximise shareholders value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Company's capital management, capital includes issued equity share capital and other equity reserves attributable to the equity holders.

The Company monitors capital using debt-equity ratio, which is total debt less liquid investments divided by total equity.

₹ in Lakhs

Particulars	31 March 2020	31 March 2019
Total debt (Bank and other borrowings)	55,478.95	57,857.31
Less: Cash and cash equivalents	937.06	1,810.37
Less: Other bank balances	28.93	28.54
Less: Balances with banks on deposit accounts	1,200.00	-
Adjusted net debt	53,312.96	56,018.40
Equity	69,689.34	68,036.83
Debt to Equity (net)	0.77	0.82

In addition, the Company has financial covenants relating to the banking facilities that it has taken from all the lenders like interest service coverage ratio, Debt to EBITDA, current ratio etc. which is maintained by the Company.

Notes to the standalone financial statements for the year ended 31 March 2020

44. Segments information

In accordance with Ind AS 108 "Operating Segments", segment information has been given in the consolidated financial statements of the Company, and therefore, no separate disclosure on segment information is given in these standalone financial statements.

45. Taxation

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulations under Sections 92-92F of the Income-Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documents for the international transactions entered into with the associated enterprises during the financial year. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense for the year and that of provision for taxation.

46. Dues to Micro enterprises and small enterprises

₹ in Lakhs

		31 March 2020	31 March 2019
(a)	The amounts remaining unpaid to Micro and Small suppliers as at the end of each accounting year		
	- Principal	1.72	0.81
	- Interest	-	-
(b)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

Note: The above information regarding Micro Small & Medium Enterprises has been determined to the extent such parties have been identified on the basis of the information available with the Company. The same has been relied upon by the auditors.

47. Government grant (Ind AS 20): Other operating revenue includes incentives against scheme of budgetary support under Goods and Services Tax Regime for the unit set-up in Rudrapur, Uttarakhand of ₹731.72 lakhs (31 March 2019 ₹876.55 lakhs)

Government grants receivable as on 31 March 2020 includes capital incentive subsidy of ₹1,477.50 lakhs, power cost reimbursement subsidy of ₹918.37 lakhs, and refund of goods and service tax on exports of ₹568.82 lakhs for the unit set-up in Chittor, Andhra Pradesh. It also includes incentive receivable against scheme of budgetary support under Goods and Services Tax Regime of ₹983.38 lakhs for the unit set-up in Rudrapur, Uttarakhand. All of these grants are pending to be sanctioned/approved at various levels of government departments.

48. Exceptional Items

₹ in Lakhs

	31 March 2020	31 March 2019
Liability for repayment of central excise refund	1,083.74	-

The Hon'ble Supreme Court of India vide its Order dated 22 April 2020 upheld the Special Leave Petition filed by the Union of India & Others in Civil Appeal Nos.2256-2263 of 2020 arising out of S.L.P. (C) Nos. 28194-28201/2010 in respect of availing of area based exemption under Central Excise in respect of manufacturing unit of Greenply Industries Limited (Greenply) at Tizit, Nagaland. Greenply may have to refund maximum principal amount upto ₹2,709.36 lakhs in respect of excess refund received from the Excise Department for the period from 1 April 2008 to 30 June 2017. There is no penalty in this matter. The Excise Act does not contain any provision requiring payment of interest on amount erroneously refunded.

However, as per Clause No. 4.3.6 of the Composite Scheme of Arrangement between Greenply and the Company duly approved by the Hon'ble National Company Law Tribunal, Guwahati Bench on 28 June 2019, the above principal amount of ₹2,709.36 lakhs along with interest, if any, shall be shared by Greenply and the Company. The Company has, as a matter of abundant precaution, considered the possible outflow of ₹1,083.74 lakhs i.e. 40% of ₹2,709.36 lakhs as liability, based on the legal opinion and facts of present circumstances, and accordingly recognised the same as an exceptional expense in the Standalone Statement of Profit and Loss.

49. Disclosure of Covid-19 impact on the Company

Due to outbreak of COVID-19 which has been declared as a Pandemic by World Health Organization and subsequent lock down ordered by the Central and State Government(s) in India, the manufacturing facility of the Company at Rudrapur, Uttarakhand remained suspended from 24 March 2020 till 26 May 2020, and at Chittor, Andhra Pradesh from 26 March 2020 till 21 May 2020. In adherence to the safety norms prescribed by Government of India, the operations have been partially resumed as per Government guidelines in manufacturing units and offices. The same will be scaled up in accordance with the guidelines being issued by the respective States and due consideration for safety of employees.

This situation has disturbed the economic activity through interruption in manufacturing activities. Considering that the lockdown is being gradually lifted and economic activity resumes to its normal levels without further disruption, it is expected to achieve normalcy in operations from Q3 of FY 2020-2021. The Company has availed moratorium on some of the payments falling due between March and May 2020 in order to maintain proper liquidity position. During lockdown period revenues and profitability of the Company were adversely impacted. The exact impact on profitability is yet to be determined as on date. Although the overall demand of the products has been impacted for a short-term, but due to easing out of restriction in lockdown demand for the products is gradually recovering.

50. Distribution made and proposed dividend (Ind AS 1)

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including dividend distribution tax thereon) as at 31 March 2020. Since no dividend has been proposed in the current and previous year, financial figures with respect to the same has not been given.

51. The figures for the previous year are re-classified/ re-arranged / re -grouped, wherever necessary so as to be in conformity with the figures of the current year's classification/disclosure.

As per our report of even date attached
For S.S. Kothari Mehta & Company
Chartered Accountants
Firm Registration number: 000756N

Sunil Wahal
Partner
Membership No: 087294

Place : New Delhi
Dated : 18 June 2020

For and on behalf of Board of Directors of
Greenpanel Industries Limited
CIN: L20100AS2017PLC018272

Shiv Prakash Mittal
Executive Chairman
(DIN : 00237242)

Shobhan Mittal
Managing Director & CEO
(DIN : 00347517)

V. Venkatramani
Chief Financial Officer

Lawkush Prasad
Company Secretary & AVP-Legal

Place : Kolkata
Dated : 18 June 2020

Independent Auditors' Report

To The members of
Greenpanel Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of GREENPANEL INDUSTRIES LIMITED (herein after referred as the "Parent Company") and its subsidiary (the company and its subsidiary together referred to as "the Group") , which comprise the consolidated balance sheet as at March 31, 2020, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended on that date, and notes to consolidated financial statements including a summary of the significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiary referred to in the other matters section below, the aforesaid consolidated 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 Indian Accounting Standards prescribed under section 133 of the Act read with the relevant rules made thereunder, as amended, and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, the consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with the Act and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph (a) of "Other Matters" below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

a. We draw attention to Note 49 to the consolidated financial statements, which describes in detail the uncertainties and the impact of Covid-19 pandemic on the Parent company's operations and results as assessed by the management. Due to outbreak of COVID-19 pandemic, the economic activity is disturbed through interruption in manufacturing activities. During lockdown period revenues and profitability of the Parent company were adversely impacted. The exact impact on the profitability is not determinable as on date. The Parent company has availed moratorium on some of the payments falling due between March and May 2020 in order to maintain adequate liquidity position. Our opinion is not modified in respect of this matter.

b. Our attendance at the physical inventory verification done by the management was impracticable under the current lock-down restrictions imposed by the Government and we have therefore, relied on the related alternate audit procedures to obtain comfort over the existence and condition of inventory at year end. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2020. 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.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's Responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matters
Revenue recognition on sale of goods and impairment loss allowance on trade receivables	
Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives and returns, if any, ('variable consideration') as specified in the contracts with the customers. An estimate of variable consideration payable to the customers is recorded as at the year-end. Such estimation is done based on the terms of contracts, rebates and discounts schemes and historical experience. In accordance with Ind AS 109 – Financial Instruments, the Parent Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. In calculating the impairment loss allowance, the Parent Company has considered its credit assessment and other related credit information for its customers to estimate the probability of default in future and has considered estimates of possible effect from increased uncertainties in economic environment. We identified estimation of variable consideration and impairment loss allowance on trade receivables as a key audit matter because the Parent Company's management exercises significant judgments and estimates in calculating the said variable consideration and impairment loss allowance.	Our audit procedures included, amongst others: a. We read and evaluated the Parent Company's policies for revenue recognition and impairment loss allowance and assessed its compliance with Ind AS 115 – Revenue from contracts with customers' and Ind AS 109 'Financial Instruments' respectively. b. We assessed the design and tested the operating effectiveness of internal controls related to sales including variable consideration and impairment loss allowance on trade receivables. c. We performed the following tests for a sample of transactions relating to variable consideration: • Read the terms of contract including rebates and discounts schemes as approved by authorized personnel. • Evaluated the assumptions used in estimation of variable consideration by comparing with the past trends and understand the reasons for deviation. • Performed retrospective review to identify and evaluate variances. d. We evaluated management's assessment of the assumptions used in the calculation of impairment loss allowance on trade receivables, including consideration of the current and estimated future uncertain economic conditions. e. For sample customers, we tested past collection history, customer's credit assessment and probability of default assessment performed by the management. f. We tested the mathematical accuracy and computation of the allowances. g. We read and assessed the relevant disclosures made within the consolidated Ind AS financial statements.
Accounting of Government grants	
The Parent Company has various grants and subsidies receivable from the state governments of respective plant locations. These grants and subsidies are both capital and revenue in nature.	Our audit procedures included, amongst others: a. We checked that the recognition of grants / subsidies is in accordance with IND AS 20 by making a reference to the conditions for such grants in the scheme documents of the respective state Governments and checking the due evidence of fulfillment of such conditions by the Parent Company b. We have also gone through the correspondence between the Parent Company and relevant Government authorities to assess the recoverability of grants / subsidies already recognized c. We reviewed the legal experts' opinions obtained by the Parent Company and/or the Managements' Representation in cases where such grants have been outstanding for more than a year.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

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

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

Responsibility of Management and Those charged with Governance for the Consolidated Financial Statements

The Parent 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 consolidated financial statements that give a true and fair view of the consolidated financial position,

financial performance, consolidated total comprehensive Income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective 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, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 and its subsidiaries including the step down subsidiaries which are companies incorporated in India 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 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.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express as opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the standalone/ consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the subsidiary included in the consolidated financial statements, which have been audited by the 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.

We communicate with those charged with governance of the Parent 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.

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.

Other Matters

a) We did not audit the financial statements and other financial information in respect of Greenpanel Singapore Pte. Limited subsidiary of Company whose financial statements include total assets of ₹2,789.69 Lakhs as at March 31, 2020, total revenue of ₹7,733.47 Lakhs, total comprehensive Loss of ₹173.86 Lakhs and net cash inflows amounting to ₹42.51 Lakhs for the year ended on that date. These financial statements and other information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amount and disclosure included in respect of these subsidiary and our report in terms of sub section 3 of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the Consolidated financial statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the considerations of the reports of the other auditors on separate financial statements of the subsidiary Company referred to in the Other Matters paragraph above 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 the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of other auditors.

c) The consolidated balance sheet, the consolidated statement of profit and loss including (including statement of other comprehensive Income), consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act read with the relevant rules made thereunder, as amended, and other accounting principles generally accepted in India.

e) On the basis of the written representations received from the directors of the company as on March 31, 2020 taken on record by the Board of Directors of the Parent Company, none of the directors of the Group 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 over financial reporting of the Parent Company, refer to our separate Report in "Annexure A" to this report.

g) With respect to the Other Matters to be included in the Auditors Report in accordance with the requirements of Section 197(16) of the Act, as amended

In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the Parent company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

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 and based on the considerations of the reports of the other auditors on separate financial statements:

i. The consolidated financial statements disclose the impact of pending litigations as at March 31, 2020 on the consolidated financial position of the Group- Refer note 37(a) to the consolidated financial statements.

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts during the year ended March 31, 2020.

iii. There was no amount required to be transferred, to the Investor Education and Protection Fund by the Parent Company during the year ended March 31, 2020.

For S. S. Kothari Mehta & Company
Chartered Accountants
Firm Registration No. 000756N

Sunil Wahal
Partner
Membership No: - 087294

Place: New Delhi
Date: June 18, 2020
UDIN: 20087294AAAADT1697

Annexure A to the Independent Auditor's Report to the Members of GREENPANEL INDUSTRIES LIMITED dated June 18, 2020 on its consolidated financial statements

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 'f' of 'Report on Other Legal and Regulatory Requirements' section.

Our reporting on the internal financial controls over financial reporting is not applicable in respect of one audited subsidiary incorporated outside India.

In conjunction with our audit of the consolidated financial statement of GREENPANEL INDUSTRIES LIMITED as of and for the year ended March 31, 2020 we have audited the internal financial controls over financial reporting of GREENPANEL INDUSTRIES LIMITED (hereinafter referred to as the "Parent Company" or "Company").

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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting based on our audit of the Company.

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b) 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

c) 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 Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations, given to us the Parent Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Parent 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 report under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting, does not consider the subsidiary of the Company as it is not incorporated in India.

Our audit report is not qualified in respect of above matter.

For S. S. Kothari Mehta & Company
Chartered Accountants
Firm Registration No. 000756N

Sunil Wahal
Partner
Membership No: - 087294

Place: New Delhi
Date: June 18, 2020
UDIN: 20087294AAAADT1697

Consolidated Balance Sheet as at 31 March 2020

₹ in Lakhs

	Note	31 March 2020	31 March 2019
Assets			
(1) Non-current assets			
(a) Property, plant and equipment	4	1,08,180.18	1,13,677.50
(b) Capital work-in-progress	5	568.84	379.33
(c) Other intangible assets	6	43.53	72.38
(d) Right of use assets		2,886.18	-
(e) Financial assets			
(i) Loans	8	1,443.73	1,233.69
(f) Non-current tax assets (net)	9	261.39	-
(g) Other non-current assets	14	1,506.56	1,653.47
Total non-current assets		1,14,890.41	1,17,016.37
(2) Current assets			
(a) Inventories	10	15,388.67	13,446.36
(b) Financial assets			
(i) Trade receivables	11	7,052.11	4,561.86
(ii) Cash and cash equivalents	12	1,125.79	1,956.59
(iii) Other bank balances	13	28.93	28.54
(iv) Loans	8	96.72	32.32
(v) Derivatives	24	552.41	10.39
(vi) Other financial assets	15	4,016.44	2,918.69
(c) Other current assets	16	3,430.42	5,824.21
Total current assets		31,691.49	28,778.96
Total assets		1,46,581.90	1,45,795.33
Equity and liabilities			
Equity			
(a) Equity share capital	17	1,226.27	-
(b) Equity share capital suspense	17A	-	1,226.27
(c) Other equity	18	64,938.06	63,323.53
Total equity		66,164.33	64,549.80
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	43,511.90	45,966.53
(ii) Other financial liabilities	20	2,627.68	1,253.00
(b) Provisions	21	967.39	790.82
(c) Deferred tax liabilities (net)	35	688.94	1,205.30
(d) Other non-current liabilities	22	2,866.01	4,529.95
Total non-current liabilities		50,661.92	53,745.60
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	7,270.64	4,541.70
(ii) Trade payables	23		
total outstanding dues of micro enterprises and small enterprises		1.72	0.81
total outstanding dues of creditors other than micro enterprises and small enterprises		12,065.14	8,156.08
(iii) Other financial liabilities	20	7,010.88	10,973.37
(b) Other current liabilities	25	3,175.99	3,354.35
(c) Provisions	21	231.28	383.03
(d) Current tax liabilities (net)	9	-	90.59
Total current liabilities		29,755.65	27,499.93
Total liabilities		80,417.57	81,245.53
Total equity and liabilities		1,46,581.90	1,45,795.33
Significant accounting policies	3		

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached
For **S.S. Kothari Mehta & Company**
Chartered Accountants
Firm Registration number: 000756N

For and on behalf of Board of Directors of
Greenpanel Industries Limited
CIN: L20100AS2017PLC018272

Sunil Wahal
Partner
Membership No: 087294

Shiv Prakash Mittal
Executive Chairman
(DIN : 00237242)

Shobhan Mittal
Managing Director & CEO
(DIN : 00347517)

V. Venkatramani
Chief Financial Officer

Lawkush Prasad
Company Secretary & AVP-Legal

Place : New Delhi
Dated : 18 June 2020

Place : Kolkata
Dated : 18 June 2020

Consolidated Statement of Profit and Loss for the year ended 31 March 2020

₹ in Lakhs

		Note	Year ended 31 March 2020	Year ended 31 March 2019
I.	Revenue from operations	26	87,656.62	59,911.39
II.	Other income	27	223.40	1,269.50
III	**Total income (I+II)**		87,880.02	61,180.89
IV.	**Expenses**			
	Cost of materials consumed	28	38,870.33	28,877.57
	Purchase of stock in trade	29	1,030.82	876.24
	Changes in inventories of finished goods, work-in-progress and stock in trade	30	(711.38)	(4,210.18)
	Employees benefits expense	31	9,888.74	8,075.65
	Finance costs	32	4,828.94	2,463.24
	Depreciation and amortisation expense	33	6,916.54	5,303.34
	Other expenses	34	24,801.25	18,556.58
	Total expenses (IV)		85,625.24	59,942.44
V.	**Profit before exceptional items and tax (III-IV)**		2,254.78	1,238.45
VI.	Exceptional items	48	1,083.74	-
VII.	**Profit before tax (V-VI)**		1,171.04	1,238.45
	Current tax		(258.85)	(499.41)
	Deferred tax		533.87	2,718.40
VIII.	**Tax expense**	35	275.02	2,218.99
IX.	**Profit for the year (VII+VIII)**		1,446.06	3,457.44
X.	**Other comprehensive income**			
	Items that will not be reclassified subsequently to profit or loss:			
	Remeasurements of defined benefit liability/(asset)		50.10	34.83
	Income tax relating to items that will not be reclassified to profit or loss		(17.51)	(12.17)
	Net other comprehensive income not to be reclassified subsequently to profit or loss		32.59	22.66
	Items that will be reclassified subsequently to profit or loss:			
	Exchange differences in translating financial statements of foreign operations		135.88	40.06
	Net other comprehensive income to be reclassified subsequently to profit or loss		135.88	40.06
	Other comprehensive income for the year (net of tax)		168.47	62.72
XI.	**Total comprehensive income for the year (IX+X)**		1,614.53	3,520.16
XII.	**Earnings per equity share**	36		
	[Face value of equity share ₹1 each (previous year ₹1 each)]			
	- Basic (₹)		1.18	2.82
	- Diluted (₹)		1.18	2.82
	Significant accounting policies	3		

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached
For **S.S. Kothari Mehta & Company**
Chartered Accountants
Firm Registration number: 000756N

For and on behalf of Board of Directors of
Greenpanel Industries Limited
CIN: L20100AS2017PLC018272

Sunil Wahal
Partner
Membership No: 087294

Shiv Prakash Mittal
Executive Chairman
(DIN : 00237242)

Shobhan Mittal
Managing Director & CEO
(DIN : 00347517)

V. Venkatramani
Chief Financial Officer

Lawkush Prasad
Company Secretary & AVP-Legal

Place : New Delhi
Dated : 18 June 2020

Place : Kolkata
Dated : 18 June 2020

Consolidated Statement of changes in equity for the year ended 31 March 2020

a) Equity share capital

₹ in Lakhs

Particulars	Note	Amount
Balance as at 1 April 2018		10.00
Cancelled pursuant to scheme of arrangement	17	(10.00)
Share Suspense account - Allotment of equity shares pursuant to scheme of arrangement	17A	1,226.27
Balance as at 31 March 2019		1,226.27
Issue of equity share capital during the year	17	-
Balance as at 31 March 2020		**1,226.27**

b) Other equity

₹ in Lakhs

Particulars	Note	Reserves and surplus		Items of OCI		Total
		Capital reserve	Retained earnings	Remeasurements of defined benefit liability	Exchange differences on translation	
Balance as at 1 April 2018		-	(5.19)	-	-	(5.19)
Amount adjusted pursuant to Scheme of Arrangement		59,808.56	-	-	-	59,808.56
Total comprehensive income for the year ended 31 March 2019						
Profit or loss		-	3,457.44	-	-	3,457.44
Other comprehensive income (net of tax)		-	-	22.66	40.06	62.72
Total comprehensive income		-	3,457.44	22.66	40.06	3,520.16
Balance as at 31 March 2019		59,808.56	3,452.25	22.66	40.06	63,323.53
Balance as at 1 April 2019		**59,808.56**	**3,452.25**	**22.66**	**40.06**	**63,323.53**
Amount adjusted pursuant to Scheme of Arrangement		-	-	-	-	-
Total comprehensive income for the year ended 31 March 2020						
Profit or loss		**-**	**1,446.06**	**-**	**-**	**1,446.06**
Other comprehensive income (net of tax)		**-**	**-**	**32.59**	**135.88**	**168.47**
Total comprehensive income		**-**	**1,446.06**	**32.59**	**135.88**	**1,614.53**
Balance as at 31 March 2020		**59,808.56**	**4,898.31**	**55.25**	**175.94**	**64,938.06**
Significant accounting policies	3					

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached
For **S.S. Kothari Mehta & Company**
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Chief Financial Officer

Lawkush Prasad
Company Secretary & AVP-Legal

Place : New Delhi
Dated : 18 June 2020

Place : Kolkata
Dated : 18 June 2020

Consolidated Statement of Cash Flows for the year ended 31 March 2020

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
A. Cash flows from operating activities		
Profit before exceptional items and tax	2,254.78	1,238.45
Adjustments for:		
Depreciation and amortisation expense	6,916.54	5,303.34
Finance costs	3,018.64	2,463.24
Provision for doubtful debts	100.19	84.78
Loss on sale/discard of property, plant and equipment	32.47	8.78
Interest income	(202.82)	(69.03)
Unrealised foreign exchange fluctuations (net)	2,627.62	(793.02)
Government grants - EPCG scheme (refer note 22)	(1,853.94)	(545.00)
	10,638.70	6,453.09
Operating cash flows before working capital changes	12,893.48	7,691.54
Working capital adjustments:		
(Increase)/decrease in trade and other receivables	(3,332.80)	(1,894.24)
(Increase)/decrease in inventories	(1,942.31)	(3,147.88)
Increase/(decrease) in trade and other payables	2,973.92	(546.81)
	(2,301.19)	(5,588.93)
Cash generated from operating activities	10,592.29	2,102.61
Income tax paid (net)	(610.83)	(408.82)
Net cash from operating activities	9,981.46	1,693.79
B. Cash flows from investing activities		
Acquisition of property, plant and equipment	(2,579.31)	(10,541.02)
Proceeds from sale of property, plant and equipment	158.28	7.40
Interest received	187.06	69.03
Net cash used in investing activities	(2,233.97)	(10,464.59)
C. Cash flows from financing activities		
Proceeds from long term borrowings	-	13,275.59
Proceeds from short term borrowings (net)	2,728.94	1,429.19
Repayment of long term borrowings	(8,180.77)	(1,835.66)
Interest paid	(2,525.00)	(2,650.24)
Payment of lease liabilities	(476.05)	-
Interest paid on lease liabilities	(125.41)	-
Processing fees paid for long term borrowings	-	(12.65)
Net cash flow from financing activities	(8,578.29)	10,206.23
Net (decrease)/increase in cash and cash equivalents	(830.80)	1,435.43
Cash and cash equivalents at 1 April 2019 (refer note 12)	1,956.59	5.07
Add: Amount adjusted pursuant to Scheme of Arrangement	-	516.09
Cash and cash equivalents at 31 March 2020 (refer note 12)	1,125.79	1,956.59

Notes:

(i) Consolidated Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 specified under Section 133 of the Companies Act, 2013.

(ii) Acquisition of property, plant and equipment includes movements of capital work-in-progress (including capital advances and liability for capital goods) during the year.

(iii) Change in liabilities arising from financing activities:

₹ in Lakhs

Particulars	As on 31 March 2019	Cash flows	Fair value changes	As on 31 March 2020
Non-current Borrowings including current maturities (Note 19)	54,109.68	(8,180.77)	2,906.73	**48,835.64**
Current Borrowings (Note 19)	4,541.70	2,728.94	-	**7,270.64**

As per our report of even date attached
For **S.S. Kothari Mehta & Company**
Chartered Accountants
Firm Registration number: 000756N

For and on behalf of Board of Directors of
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(DIN : 00347517)

V. Venkatramani
Chief Financial Officer

Lawkush Prasad
Company Secretary & AVP-Legal

Place : New Delhi
Dated : 18 June 2020

Place : Kolkata
Dated : 18 June 2020

Notes to the consolidated financial statements for the year ended 31 March 2020

1. Reporting entity

Greenpanel Industries Limited ('the Holding Company' or the 'Company') is a public company domiciled in India having its registered office situated at Makum Road, P.O. Tinsukia, Assam-786125, India. The Holding Company has been incorporated under the provisions of the Indian Companies Act. The Holding Company is primarily involved in manufacturing of plywood, medium density fibre boards (MDF) and allied products.

The Holding Company has an overseas wholly owned subsidiary company Greenpanel Singapore Pte. Limited, incorporated in Singapore, is engaged into trading of Medium Density Fibreboards and allied products, collectively referred to as "the Group".

2. Basis of preparation

a. Statement of compliance

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

The consolidated financial statements are authorised for issue by the Board of Directors of the Holding Company at their meeting held on 18 June 2020.

The details of the Company's accounting policies are included in note 3

b. Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (₹), which is also the Holding Company's functional currency. All amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

c. Basis of measurement

The consolidated financial statements have been prepared on historical cost basis, except for the following items:

Items	Measurement
Derivative financial instruments	Fair value
Certain financial assets and financial liabilities	Fair value
Net defined benefit (asset)/ liability	Present value of defined benefit obligations

d. Use of estimates and judgements

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the consolidated financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in note 38 - lease classification.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the consolidated financial statements for the every period ended is included in the following notes:

- Note 4 – useful life and residual value of property, plant and equipment;
- Note 31 – measurement of defined benefit obligations: key actuarial assumptions;
- Note 35 – recognition of deferred tax assets;
- Note 37 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 42 – impairment of financial assets: key assumptions used in estimating recoverable cash flows

Notes to the consolidated financial statements for the year ended 31 March 2020

e. Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. The management has overall responsibility for overseeing all significant fair value measurements and it regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Holding Company's audit committee.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 41.

f. Basis of consolidation

(i) Subsidiaries

These Consolidated financial statements are prepared on the following basis in accordance with Ind AS on Consolidated Financial Statements(Ind AS - 110), specified under Section 133 of the Companies Act, 2013.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary are included in the Consolidated financial statements from the date on which control commences until the date on which control ceases. Subsidiaries considered in the Consolidated financial statements are:

Name of the Company	Country of Incorporation	Percentage of Holding	
		Current year	Previous year
Greenpanel Singapore Pte. Limited	Singapore	100%	100%

(ii) Loss of control

When the Group losses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in consolidated statement of profit or loss.

(iii) Transactions eliminated on consolidation

The financial statements of the Holding Company and its subsidiaries used in the consolidation procedures are drawn upto the same reporting date i.e 31 March 2019.

The financial statements of the Holding Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses.

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with subsidiaries are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Notes to the consolidated financial statements for the year ended 31 March 2020

3. Significant accounting policies

a. Current and non-current classification

All assets and liabilities are classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Act.

Assets

An asset is classified as current when it satisfies any of the following criteria:

(i) it is expected to be realised in, or is intended for sale or consumption in the Group's normal operating cycle;

(ii) it is held primarily for the purpose of being traded;

(iii) it is expected to be realised within 12 months after the reporting date; or

(iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

(i) it is expected to be settled in the Group's normal operating cycle;

(ii) it is held primarily for the purpose of being traded;

(iii) it is due to be settled within 12 months after the reporting date; or

(iv) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

For the purpose of current/non-current classification of assets and liabilities, the Group has ascertained its normal operating cycle as twelve months. This is based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

b. (i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the Group at the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences are recognised in the Consolidated Statement of Profit and Loss in the period in which they arise, except exchange differences on long term foreign currency monetary items accounted for in accordance with exemption availed by the Company under Ind AS 101.

The Group has exercised the option available to it under Para 46A of the Companies (Accounting Standards) (Second Amendment) Rules, 2011 in respect of accounting for fluctuations in foreign exchange relating to "Long Term Foreign Currency Monetary Items". On transition to Ind AS, aforesaid option is not available for loans availed after 1st April 2016.

(ii) Foreign operations

The assets and liabilities of foreign operations (subsidiaries) like fair value adjustments arising on acquisition, are translated into ₹, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into ₹ at an average rate.

Notes to the consolidated financial statements for the year ended 31 March 2020

The Group has elected not to apply Ind AS 103-Business Combinations retrospectively to past business combinations that occurred before the transition date of 1 April 2015. Consequently, the Group has kept the same classification for the past business combinations as in its previous GAAP financial statements.

When a foreign operation is disposed off in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognized in Other Comprehensive Income (OCI) is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to Non-controlling Interest (NCI).

c. Financial instruments

(i) Recognition and initial measurement

Trade Receivables are initially recognised when they are originated. All financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. Trade receivables are initially measured at transaction price.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified and measured at:

- Amortised cost; or
- Fair value through Profit or Loss (FVTPL); or
- Fair value through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

(a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The effective interest rate (EIR) method of amortisation is included in finance income in the Consolidated Statement of Profit and Loss. This category generally applies to long-term deposits and long-term trade receivables.

Financial assets at FVTPL

All financial assets which are not classified and measured at amortised cost or Fair value through other comprehensive income (FVOCI) as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest (SPPI). For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

Notes to the consolidated financial statements for the year ended 31 March 2020

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Consolidated Statement of Profit and Loss.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in Consolidated Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Consolidated Statement of Profit and Loss.

Investments in subsidiaries are carried at cost in standalone financial statements

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL.

Financial liabilities through FVTPL

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Consolidated Statement of Profit and Loss. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Financial liabilities at amortised cost

Other financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method. Interest expense and foreign exchange gains and losses are recognised in Consolidated Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Consolidated Statement of Profit and Loss. Interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Consolidated Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

Financial guarantee liabilities

Financial guarantees issued by the Group are those contracts that require payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value net off transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset:

- when the contractual rights to the cash flows from the financial asset expire, or
- it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Consolidated Statement of Profit and Loss.

Notes to the consolidated financial statements for the year ended 31 March 2020

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Derivative financial instruments

The Group holds derivative financial instruments, such as foreign currency forward contracts, interest rate swaps, to hedge its foreign currency and interest rate risk exposures.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in Consolidated Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

d. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Borrowing costs directly attributable to the acquisition or construction of those qualifying property, plant and equipment, which necessarily take a substantial period of time to get ready for their intended use, are capitalised. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate components of property, plant and equipment.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Consolidated Statement of Profit and Loss. Property, plant and equipment under construction are disclosed as Capital work-in-progress. Assets retired from active use and held for disposal are stated at the lower of their net book value and fair value less cost to sell and shown under 'Current assets'.

Foreign currency exchange differences on loans used for purchases of property, plant and equipment prior to 1 April 2016, are continued to be capitalised as per policy stated in note 3(b) above.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation and amortisation

Depreciation and amortisation for the year is recognised in the Consolidated Statement of Profit and Loss. Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight line method over the useful lives of assets, in the manner specified in Part C of Schedule II of the Act.

Assets acquired under finance lease are depreciated over the shorter of the lease term and their useful life unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

Freehold land is not depreciated.

Leasehold land (includes development cost) is amortised on a straight line basis over the period of respective lease, except leasehold land acquired on perpetual lease. Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted as appropriate.

Notes to the consolidated financial statements for the year ended 31 March 2020

The estimated useful lives of items of property, plant and equipment are as follows:

Asset	Useful life as per Schedule II
Buildings	3 to 60 years
Plant and equipments	15 to 25 years
Furniture and fixtures	10 years
Vehicles	8 to 10 years
Office equipments	3 to 10 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Depreciation on additions (discard/disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (discarded/disposed off).

e. Intangible assets

(i) Recognition and measurement

Intangible assets are initially measured at cost and subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

(iii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in Consolidated Statement of Profit and Loss.

The estimated useful lives are as follows:

- Computer software 5 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

f. Inventories

Inventories which comprise raw materials, work-in-progress, finished goods, packing materials, stores and spares are measured at the lower of cost and net realisable value.

The cost of inventories is ascertained on the 'weighted average' basis, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Assessment of net realisable value is made at each subsequent reporting date. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the amount of the write-down is reversed.

g. Impairment

(i) Impairment of financial instruments: financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Group recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivable with no significant financing component is measured at an amount equal to lifetime of the ECL. For all other financial assets, expected credit losses are measured unless there has been a significant increase

Notes to the consolidated financial statements for the year ended 31 March 2020

in credit risk from initial recognition in which case those are measured at lifetime of the ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in Consolidated Statement of Profit and Loss.

In case of trade receivables, the Group follows the simplified approach permitted by Ind AS 109 Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Group to track changes in credit risk. The Group calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including subsequent information. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Group's corporate assets (e.g. corporate office for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Consolidated Statement of Profit and Loss.

Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

h. Non-current assets or disposal group held for sale

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Group's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

Notes to the consolidated financial statements for the year ended 31 March 2020

i. Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into Employees' Provident Fund established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions under employee provident fund to Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in Consolidated Statement of Profit and Loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed quarterly by an independent qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements. The Group recognises all actuarial gains and losses arising from defined benefit plan immediately in the Consolidated Statement of Profit and Loss.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other comprehensive income (OCI). The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Consolidated Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Consolidated Statement of Profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iv) Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Such benefits are in form of leave encashment that accrue to employees in return of their service. The calculation of other long term employee benefits is performed quarterly by an independent qualified actuary using the projected unit credit method. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other comprehensive income (OCI). Net interest expense and other expenses related to defined benefit plans are recognised in Consolidated Statement of Profit and Loss.

(v) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

Notes to the consolidated financial statements for the year ended 31 March 2020

j. Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

k. Revenue

(i) Sale of goods

The Group follows Ind AS 115 Revenue from Contracts with Customers.

The Group manufactures and sells in plywood and allied products, medium density fibreboard and allied products. Sales are recognised when control of the products has transferred, being when the products are delivered to the dealer, the dealer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the dealer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risk of obsolescence and loss have been transferred to the dealer, and either the dealer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

The products are often sold with retrospective volume discounts based on aggregate sales over a 12 months period, cash discount on payment within specified period, promotional gift on achieving specific targets, quality claims if claims made in the specified period and other promotional expenses such as tours and travel packages to dealer, etc. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts, cash discounts, quality claims and promotional expenses. Accumulated experience is used to estimate and provide for the discounts/claims/provisions, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability (netted off with trade receivables) is recognised for expected volume discount payables, expected cash discount payables and expected quality claims to dealers in relation to sale made until the end of reporting period. Provision (included in other current liabilities) is recognised for expected sales promotional expenses against the sales made until the end of reporting period. No element of financing is deemed present as the sales are made with a credit term of 30-90 days, which is consistent with market practice.

(ii) Rental income

Rental income is recognised as part of other income on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation.

(iii) Insurance claim

Insurance claim due to uncertainty in realisation are accounted for on acceptance basis.

l. Government Grants

Grants from Government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with the conditions attached thereto.

Government grants related to revenue are recognised in the Consolidated Statement of Profit and Loss on a systematic and rational basis in the periods in which the Company recognises the related costs for which the grants are intended to compensate and are netted off with the related expenditure. If not related to a specific expenditure, it is taken as income and presented under "Other Income".

Government grants relating to property, plant and equipment are treated as deferred income and are credited to the statement of profit and loss on a systematic basis over the expected useful life of the related asset to match them with the costs for which they are intended to compensate and presented within other income.

Notes to the consolidated financial statements for the year ended 31 March 2020

m. Leases

(i) Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

(ii) Assets held under leases

Leases of property, plant and equipment that transfer to the Group substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Group substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Group's Balance Sheet.

The Group has adopted Ind AS 116, Leases from 1 April 2019. Ind AS 116 is a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, Leases.

The Group has recognised new assets and liabilities for its operating leases of land and office premises facilities. The nature of expenses related to those leases has now changed because the Group has recognised a depreciation charge for right-of-use assets and interest expense on lease liabilities.

Previously, the Group recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

(iii) Lease payments

Payments made under operating leases are generally recognised in Consolidated Statement of Profit and Loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease. Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

n. Recognition of dividend income, interest income or expense

Dividend income is recognised in Consolidated Statement of Profit and Loss on the date on which the Group's right to receive payment is established.

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Notes to the consolidated financial statements for the year ended 31 March 2020

o. Income tax

Income tax expense comprises of current tax and deferred tax. Current tax and deferred tax is recognised in the Consolidated Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are off set only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (tax base). Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to off set current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

In case of tax payable as Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961, the credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

p. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

Notes to the consolidated financial statements for the year ended 31 March 2020

q. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

r. Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors of the Group.

s. Cash and cash equivalents

Cash and cash equivalents include cash and cash-on-deposit with banks. The Group considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash and cash equivalents.

t. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

u. Earnings per share

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

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

v. Operating segment

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance. The CODM consists of the Executive Chairman, Managing Director & CEO and Chief Financial Officer.

The Group has currently two reportable segments namely:

i) Plywood and allied products, and

ii) Medium density fibreboards and allied products

w. Determination of fair values

Fair values have been determined for measurement and disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Non-derivative financial assets

Non-derivative financial assets are initially measured at fair value. If the financial asset is not subsequently accounted for at fair value through profit or loss, then the initial measurement includes directly attributable transaction costs. These are measured at amortised cost or at FVTPL. Investments in quoted equity instruments are measured at FVTPL.

(ii) Trade and other receivables

The fair values of trade and other receivables are estimated at the present value of future cash flows, discounted at the market rate of interest at the measurement date. Short-term receivables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and, for disclosure purposes, at each annual reporting date.

(iii) Derivative financial liabilities

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

(iv) Other non-derivative financial liabilities

Other non-derivative financial liabilities are measured at fair value, at initial recognition and for disclosure purposes, at each annual reporting date. Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

Notes to the consolidated financial statements for the year ended 31 March 2020

4. Property, plant and equipment

See accounting policy in note 3(d) and (g)

(a) Reconciliation of carrying amount

₹ in Lakhs

	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
Cost (Gross carrying amount)							
Balance at 1 April 2018	-	-	-	-	-	-	-
Add: Amount adjusted pursuant to Scheme of Arrangement	4,792.75	6,078.97	41,536.25	1,358.31	4,307.00	944.19	59,017.47
Additions	741.14	6,213.75	72,422.50	1,156.74	322.54	330.88	81,187.55
Disposals/ discard	-	-	(32.30)	-	(14.40)	(17.95)	(64.65)
Exchange differences on translation of foreign operations	-	-	-	12.30	144.83	2.52	159.65
Balance at 31 March 2019	5,533.89	12,292.72	1,13,926.45	2,527.35	4,759.97	1,259.64	1,40,300.02
Balance at 1 April 2019	**5,533.89**	**12,292.72**	**1,13,926.45**	**2,527.35**	**4,759.97**	**1,259.64**	**1,40,300.02**
Add: Amount adjusted pursuant to Scheme of Arrangement	-	-	-	-	-	-	-
Additions	**1.57**	**289.89**	**338.10**	**197.41**	**27.79**	**70.63**	**925.39**
Disposals/ discard	**-**	**-**	**(31.24)**	**(46.28)**	**(374.90)**	**(6.65)**	**(459.07)**
Exchange differences on translation of foreign operations	**-**	**-**	**-**	**19.51**	**228.63**	**3.47**	**251.61**
Balance at 31 March 2020	**5,535.46**	**12,582.61**	**1,14,233.31**	**2,697.99**	**4,641.49**	**1,327.09**	**1,41,017.95**
Accumulated depreciation							
Balance at 1 April 2018	-	-	-	-	-	-	-
Add: Amount adjusted pursuant to Scheme of Arrangement	-	1,868.65	17,465.48	529.78	1,008.59	517.90	21,390.40
Depreciation for the year	-	390.82	4,026.25	203.51	476.41	161.60	5,258.59
Adjustments/ disposals	-	-	(21.79)	-	(12.32)	(14.36)	(48.47)
Exchange differences on translation of foreign operations	-	-	-	2.41	19.17	0.42	22.00
Balance at 31 March 2019	-	2,259.47	21,469.94	735.70	1,491.85	665.56	26,622.52
Balance at 1 April 2019	**-**	**2,259.47**	**21,469.94**	**735.70**	**1,491.85**	**665.56**	**26,622.52**
Add: Amount adjusted pursuant to Scheme of Arrangement	-	-	-	-	-	-	-
Depreciation for the year	**-**	**587.56**	**4,886.85**	**270.84**	**458.39**	**198.00**	**6,401.64**
Adjustments/ disposals	**-**	**-**	**(19.94)**	**(38.07)**	**(204.52)**	**(6.21)**	**(268.74)**
Exchange differences on translation of foreign operations	**-**	**-**	**-**	**11.27**	**69.40**	**1.68**	**82.35**
Balance at 31 March 2020	**-**	**2,847.03**	**26,336.85**	**979.74**	**1,815.12**	**859.03**	**32,837.77**
Carrying amounts (net)							
At 1 April 2018	-	-	-	-	-	-	-
At 31 March 2019	5,533.89	10,033.25	92,456.51	1,791.65	3,268.12	594.08	1,13,677.50
At 31 March 2020	**5,535.46**	**9,735.58**	**87,896.46**	**1,718.25**	**2,826.37**	**468.06**	**1,08,180.18**

(b) Security

As at 31 March 2020, properties with a carrying amount of **₹1,06,069.99 lakhs** (31 March 2019: ₹1,11,458.48 lakhs) are subject to first charge to secured borrowings (see Note 19).

Notes to the consolidated financial statements for the year ended 31 March 2020

5. Capital work-in-progress

See accounting policy in note 3(d) and (g)

₹ in Lakhs

	31 March 2020	31 March 2019
At the beginning of the year	379.33	-
Add: Amount adjusted pursuant to Scheme of Arrangement	-	73,348.65
Additions during the year	211.94	2,406.86
Capitalised during the year	22.43	75,376.18
At the end of the year	568.84	379.33
Capital work-in-progress includes:		
Expenditure incurred during construction period on new manufacturing facility of the group:		
At the beginning of the year	-	-
Add: Amount adjusted pursuant to Scheme of Arrangement	-	7,056.14
Additions during the year:		
Finance costs	-	517.26
Employees benefits expense	-	281.78
Legal and professional fees	-	236.22
Power & fuel expense	-	821.30
Miscellaneous expenses	-	187.91
	-	2,044.47
Less: Capitalised during the year	-	9,100.61
At the end of the year	-	-

Notes:

(a) As at 31 March 2020, general borrowing costs capitalised during the year amounted to ₹ **Nil** (31 March 2019: ₹114.03 lakhs)

(b) As at 31 March 2020, properties under capital work-in-progress with a carrying amount of **₹568.84 lakhs** (31 March 2019: ₹379.33 lakhs) are subject to first charge to secured borrowings (see Note 19).

6. Other intangible assets

See accounting policy in note 3(e) and (g)

(a) Reconciliation of carrying amount

₹ in Lakhs

	Software
Cost (Gross carrying amount)	
Balance at 1 April 2018	-
Add: Amount adjusted pursuant to Scheme of Arrangement	222.01
Additions	-
Disposals/write-off	-
Balance at 31 March 2019	222.01
Balance at 1 April 2019	222.01
Add: Amount adjusted pursuant to Scheme of Arrangement	-
Additions	10.00
Disposals/write-off	(0.42)
Balance at 31 March 2020	231.59
Accumulated amortisation	
Balance at 1 April 2018	-
Add: Amount adjusted pursuant to Scheme of Arrangement	104.88
Amortisation for the year	44.75
Adjustments/ disposals	-
Balance at 31 March 2019	149.63
Balance at 1 April 2019	149.63
Add: Amount adjusted pursuant to Scheme of Arrangement	-
Amortisation for the year	38.85
Adjustments/ disposals	(0.42)
Balance at 31 March 2020	188.06
Carrying amounts (net)	
At 1 April 2018	-
At 31 March 2019	72.38
At 31 March 2020	43.53

Notes to the consolidated financial statements for the year ended 31 March 2020

8. Loans

(Unsecured, considered good)

₹ in Lakhs

	31 March 2020	31 March 2019
Non-current		
Security deposits	1,442.13	1,201.69
Loan to employees	1.60	32.00
	1,443.73	1,233.69
Current		
Loan to employees	38.23	32.32
Security deposits	58.49	-
	96.72	32.32
	1,540.45	1,266.01

9. Non-current tax assets

See accounting policy in note 3(o)

₹ in Lakhs

	31 March 2020	31 March 2019
Income tax refund (net of provisions)	261.39	-
	261.39	-
Current tax liabilities		
See accounting policy in note 3(o)		
Income tax liabilities (net of provisions)	-	90.59
	-	90.59

10. Inventories

(Valued at the lower of cost and net realisable value)

See accounting policy in note 3(f)

₹ in Lakhs

	31 March 2020	31 March 2019
Raw materials	4,740.47	3,695.02
[including in transit ₹ **Nil** (31 March 2019 ₹376.82 lakhs)]		
Work-in-progress	2,587.41	2,423.13
Finished goods	5,943.94	5,418.79
[including in transit **₹623.46 lakhs** (31 March 2019 ₹971.12 lakhs)]		
Stock in trade	32.10	-
Stores and spares	2,084.75	1,909.42
	15,388.67	13,446.36

Total carrying amount of inventories is pledged as securities against borrowings, refer note 19.

The write-down of inventories to net realisable value during the year amounting to **₹161.44 lakhs** (31 March 2019: ₹ Nil). These are recognised as expenses during the respective period and included in changes in inventories of stock in trade.

11. Trade receivables

₹ in Lakhs

	31 March 2020	31 March 2019
Current		
Unsecured		
- Considered good	7,052.11	4,561.86
- Credit Impaired	426.57	326.38
	7,478.68	4,888.24
Less: Loss for allowances		
- Credit Impaired	426.57	326.38
Net trade receivables	7,052.11	4,561.86
Of the above		
Trade receivables from related parties	43.64	1,211.27

Notes:

(a) No trade or other receivables are due from directors or other officers of the group either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

Notes to the consolidated financial statements for the year ended 31 March 2020

11. Trade receivables (contd.)

(b) Information about the group's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 42. Provision as disclosed above is on case to case basis as identified by the management.

(c) For terms and conditions of trade receivables owing from related parties, see note 39.

(d) For receivables secured against borrowings, see note 19.

12. Cash and cash equivalents

See accounting policy in note 3(s)

₹ in Lakhs

	31 March 2020	31 March 2019
Cash on hand	22.49	19.97
Balances with banks		
- On current accounts	603.30	936.62
- On deposit accounts (with original maturities up to 3 months)	500.00	1,000.00
	1,125.79	1,956.59

13. Other bank balances

₹ in Lakhs

	31 March 2020	31 March 2019
Bank deposits due to mature after 3 months of original maturities but within 12 months of the reporting date*	28.93	28.54
	28.93	28.54

*Pledged/lodged with various government authorities as security

14. Other non-current assets

(Unsecured, considered good)

₹ in Lakhs

	31 March 2020	31 March 2019
Capital advances	121.49	207.98
Others		
Unmatured finance charges	77.01	136.24
Prepaid expenses	17.51	-
Leasehold land prepayments	-	1,225.51
Balances with banks on deposit accounts	1,200.00	-
Deposits against demand under appeal and/or under dispute	14.70	14.70
Amount due from sales tax authorities	75.85	69.04
	1,506.56	1,653.47

15. Other financial assets

₹ in Lakhs

	31 March 2020	31 March 2019
Current		
Government grants receivable	3,947.87	2,892.73
Export incentive receivable	48.69	18.95
Insurance claim receivable	4.12	3.79
Interest Receivable	15.76	3.22
	4,016.44	2,918.69

16. Other current assets

(Unsecured, considered good)

₹ in Lakhs

	31 March 2020	31 March 2019
To parties other than related parties		
Advances for supplies	363.48	288.19
Advances to employees	28.20	15.65
Others		
Prepaid expenses	533.30	672.61
Unmatured finance charges	51.04	77.26
Leasehold land prepayments	-	16.31
Balance with goods and service tax authorities	2,454.40	4,754.19
	3,430.42	5,824.21

Notes to the consolidated financial statements for the year ended 31 March 2020

17. Equity share capital

See accounting policy in note 3(q)

₹ in Lakhs

	31 March 2020	31 March 2019
Authorised		
150,000,000 (31 March 2019: 150,000,000) equity shares of ₹1 each	1,500.00	1,500.00
Issued, subscribed and fully paid-up		
122,627,395 (31 March 2019: Nil) equity shares of ₹1 each	1,226.27	-

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

₹ in Lakhs

	31 March 2020		31 March 2019	
	Number	Amount	Number	Amount
At the commencement of the year	-	-	10,00,000	10.00
Add: Issued pursuant to scheme of arrangement	12,26,27,395	1,226.27	-	-
Less: Cancelled pursuant to scheme of arrangement	-	-	10,00,000	10.00
At the end of the year	12,26,27,395	1,226.27	-	-

(b) Rights, preferences and restrictions attached to equity shares

The Holding Company has a single class of equity shares with par value of ₹1 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Holding Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared by the Holding Company from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Holding Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture.

On winding up of the Holding Company, the holders of equity shares will be entitled to receive the residual assets of the Holding Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

(c) Particulars of shareholders holding more than 5% shares of fully paid up equity shares

₹ in Lakhs

Equity shares of ₹1 each	31 March 2020		31 March 2019	
	Number	%	Number	%
S. M. Management Pvt. Ltd.	3,16,26,965	25.79%	-	-
Prime Holdings Pvt. Ltd.	1,33,32,800	10.87%	-	-
Jwalamukhi Investment Holdings	1,17,87,720	9.61%	-	-
Shobhan Mittal	1,05,88,380	8.63%	-	-
HDFC Trustee Company Ltd.	77,12,011	6.29%	-	-

(d) The Holding Company has not reserved any shares for issue under options and contracts/commitments for the sale of shares/ disinvestment.

(e) The Holding Company for the period of five years immediately preceding the reporting date has not:

(i) Allotted any class of shares as fully paid pursuant to contract(s) without payment being received in cash.

(ii) Allotted fully paid up shares by way of bonus shares.

(iii) Bought back any class of shares.

17A. Equity share capital suspense

₹ in Lakhs

	31 March 2020	31 March 2019
Equity share capital suspense	-	1,226.27

Note: Nil (31 March 2019: 12,26,27,395) equity shares of Re. 1 each, fully paid, to be issued pursuant to scheme of arrangement of Greenply Industries Limited with the Holding Company.

Notes to the consolidated financial statements for the year ended 31 March 2020

18. Other equity

₹ in Lakhs

	31 March 2020	31 March 2019
Capital reserve		
At the commencement of the year	59,808.56	-
Add: Amount adjusted pursuant to Scheme of Arrangement	-	59,808.56
	59,808.56	59,808.56
Retained earnings		
At the commencement of the year	3,452.25	(5.19)
Add: Profit for the year	1,446.06	3,457.44
	4,898.31	3,452.25
Other comprehensive income (OCI)		
At the commencement of the year	62.72	-
Exchange differences in translating financial statements of foreign operations	135.88	40.06
Remeasurements of the net defined benefit plans	32.59	22.66
	231.19	62.72
	64,938.06	63,323.53

(a) Description, nature and purpose of reserve:

(i) **Capital reserve**: The capital reserve is created on account of the net assets transferred pursuant to the scheme of arrangement

(ii) **Retained earnings**: It comprises of accumulated profit/ (loss) of the Group.

(iii) **Other comprehensive income (OCI)**: It comprises of remeasurements of the net defined benefit plans on actuarial valuation of gratuity and exchange differences in translating financial statements of foreign operations.

(b) Disaggregation of changes in items of OCI

₹ in Lakhs

	31 March 2020	31 March 2019
Retained earnings		
Exchange differences in translating financial statements of foreign operations	175.94	40.06
Remeasurements of defined benefit liability/ (asset)	55.25	22.66
	231.19	62.72

19. Borrowings

See accounting policy in note 3(b), (c) and (p)

₹ in Lakhs

	31 March 2020	31 March 2019
Non-current borrowings		
Secured		
Term loans		
From banks		
Foreign currency loans	38,187.09	38,646.86
Rupee loans	9,216.99	13,479.19
	47,404.08	52,126.05
Less: Current maturities of long term borrowings (refer note 20)	4,911.22	7,663.70
	42,492.86	44,462.35
Loan against vehicles	1,431.56	1,983.63
Less: Current maturities of loan against vehicles (refer note 20)	412.52	479.45
	1,019.04	1,504.18
	43,511.90	45,966.53
Current borrowings		
Secured		
From banks		
Foreign currency loan - buyers credit	487.15	256.47
Foreign currency loan - Packing Credit	509.06	291.43
Rupee loans - repayable on demand	5,886.50	1,688.81
	6,882.71	2,236.71

Notes to the consolidated financial statements for the year ended 31 March 2020

19. Borrowings *(contd.)*

₹ in Lakhs

	31 March 2020	31 March 2019
Unsecured		
From banks		
Channel finance assurance facility	302.10	210.65
Foreign currency loan - bill discounting	85.83	159.68
Rupee loans - bill discounting	-	1,934.66
	387.93	2,304.99
	7,270.64	4,541.70

Information about the Group's exposure to credit and currency risks, and loss allowances related to borrowings are disclosed in note 42.

(A) Terms of repayment

₹ in Lakhs

Name of the lender	Interest rate	Repayment schedule	Year of maturity	31 March 2020	31 March 2019
(i) Foreign currency term loans					
Landesbank Baden-Wurttenberg [**EUR 378.64 lakhs** (31 March 2019: EUR 420.71 lakhs)]	6 month Euribor +0.50%	Repayable at half yearly rest: 17 of EUR 22.27 lakhs	2028-29	31,552.49	32,611.19
Standard Chartered Bank [**USD 104.50 lakhs** (31 March 2019: USD 110 lakhs)]	3 month USD Libor +1.55%	Repayable at quarterly rest: 19 of USD 5.50 lakhs	2024-25	7,899.16	7,602.10
				39,451.65	40,213.29
Unamortised processing fees				(1,264.56)	(1,566.43)
				38,187.09	38,646.86
(ii) Rupee term loans					
HDFC Bank Limited	6 month MCLR + 1.50%	Repayable at quarterly rest: 18 of ₹400 lakhs	2024-25	7,200.00	10,000.00
Axis Bank Limited	6 month MCLR + 1.35%	Repayable at quarterly rest: 13 of ₹156.25 lakhs	2023-24	2,031.25	2,500.00
State Bank of India				-	504.00
State Bank of India				-	500.00
				9,231.25	13,504.00
Unamortised processing fees				(14.26)	(24.81)
				9,216.99	13,479.19
Total				47,404.08	52,126.05

(B) Details of security

(a) Term loan from Landesbank Baden-Wurttenberg (LBBW) of **₹31,552.49 lakhs** (31 March 2019: ₹32,611.19 lakhs) is secured by exclusive charge on Main Press Line of MDF plant at Chittoor, Andhra Pradesh along with any other movable fixed assets of the Holding Company financed by Landesbank Baden-Wurttenberg. Vide letter dated June 14, 2019, the loan is to be further secured by:

i) Exclusive charge over main press line of MDF plant at Pantnagar (Uttarakhand)

ii) Corporate guarantee from Greenply Industries Limited in favor of LBBW of EURO 12.5 million;

iii) Debt Service Reserve Account in EURO/₹ for one repayment instalment plus interest, pledged to LBBW

(b) Other term loans of **₹17,130.41 lakhs** (31 March 2019: ₹21,106.10 lakhs) are secured by:

(i) First pari passu charge on immovable fixed assets of the Holding Company at Pantnagar (Uttarakhand) and Chittoor (Andhra Pradesh).

(ii) First pari passu charge on all movable fixed assets of the Company except assets exclusively charged to other lender(s) (including the main press line of MDF plant at Pantnagar and the main press line of MDF plant at Chittor (Andhra Pradesh) along with any other movable fixed assets exclusively charged to Landesbank Baden-Wurttenberg).

(iii) Second pari passu charge on all current assets of the Holding Company.

(c) Secured Loan against vehicles and equipments are in respect of finance of vehicles, secured by hypothecation of the respective vehicles.

(d) Working capital loans of **₹5,886.50 lakhs** (31 March 2019: ₹1,688.81 lakhs) are secured by:

(i) First pari passu charge on all current assets of the Holding Company.

Notes to the consolidated financial statements for the year ended 31 March 2020

19. Borrowings *(contd.)*

(ii) Second pari passu charge on immovable fixed assets of the Holding Company at Pantnagar (Uttarakhand) and Chittoor (Andhra Pradesh).

(iii) Second pari passu charge on all movable fixed assets of the Holding Company except assets exclusively charged to other lender(s) (including the main press line of MDF plant at Pantnagar and the main press line of MDF plant at Chittor (Andhra Pradesh) along with any other movable fixed assets exclusively charged to Landesbank Baden-Wurttenberg).

(e) Foreign currency loan - buyers credit of ₹**487.15 lakhs** (31 March 2019: ₹256.47 lakhs) is secured by letter of credit/letter of undertaking issued by banks.

20. Other financial liabilities

₹ in Lakhs

	31 March 2020	31 March 2019
Non-current		
Security deposits from customers	1,270.26	1,253.00
Liabilities against right to use assets	1,357.42	-
	2,627.68	1,253.00
Current		
Current maturities of long term borrowings (refer note 19)	4,911.22	7,663.70
Current maturities of loan against vehicles and equipments (refer note 19)	412.52	479.45
Interest accrued but not due on borrowings	162.07	106.27
Liabilities against right to use assets	316.48	-
Liability for capital goods	867.33	2,408.23
Employee benefits payable	341.26	315.72
	7,010.88	10,973.37

(a) There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at 31 March 2020

(b) Information about the Group's exposure to currency and liquidity risks related to the above financial liabilities is disclosed in note 42.

21. Provisions

See accounting policy in note 3(i) and (j)

₹ in Lakhs

	31 March 2020	31 March 2019
Non-current		
Provisions for employee benefits:		
Net defined benefit liability - gratuity	607.98	459.26
Liability for compensated absences	359.41	331.56
	967.39	790.82
Current		
Provisions for employee benefits:		
Net defined benefit liability - gratuity	142.53	225.62
Liability for compensated absences	88.75	157.41
	231.28	383.03

22. Other non-current liabilities

₹ in Lakhs

	31 March 2020	31 March 2019
Deferred income on Government grants	2,866.01	4,529.95

Government grants have been received for the import of certain items of property, plant and equipment under export promotion capital goods (EPCG) scheme of Government of India. The Holding Company has certain export obligations against such benefits availed which the Holding Company will fulfill within the required time period under the scheme. For contingencies attached to these grants, refer note 37.

23. Trade payables

₹ in Lakhs

	31 March 2020	31 March 2019
Dues to micro and small enterprises (Refer note 46)	1.72	0.81
Dues to other than micro and small enterprises	12,065.14	8,156.08
	12,066.86	8,156.89
Of the above		
Trade payables to related parties	20.90	3.84

Information about the Group's exposure to currency and liquidity risks related to trade payables is disclosed in note 42.

Notes to the consolidated financial statements for the year ended 31 March 2020

24. Derivatives

See accounting policy in note 3(c)(v)

₹ in Lakhs

	31 March 2020	31 March 2019
Current		
Foreign exchange forward contracts	(27.20)	12.74
Foreign exchange interest rate swaps	326.15	(23.13)
Foreign exchange currency swaps	(851.36)	-
(Asset)/Liability	(552.41)	(10.39)

Information about the Group's exposure to interest rate and currency risks related to derivatives is disclosed in note 42.

25. Other current liabilities

₹ in Lakhs

	31 March 2020	31 March 2019
Statutory dues	332.15	652.92
Deferred income on Government grants	2,210.00	2,400.00
Advance from customers	633.84	301.43
	3,175.99	3,354.35

26. Revenue from operations

See accounting policy in note 3(k) and (l)

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Sale of products		
Finished goods	84,374.85	58,262.47
Stock-in-trade	335.04	-
	84,709.89	58,262.47
Other operating revenue		
Government grants		
- Refund of goods and service tax and excise duty (refer note 47)	731.72	876.55
- Government grants - EPCG scheme (refer note 22)	1,853.94	545.00
Export incentives	189.21	84.02
Miscellaneous income	171.86	143.35
	2,946.73	1,648.92
	87,656.62	59,911.39
Reconciliation of revenue from sale of products with the contracted price		
Contracted price	90,488.70	62,466.51
Less : Trade discounts, volume rebates etc.	(5,778.81)	(4,204.04)
Sale of products	84,709.89	58,262.47

Disaggregated revenue information

The disaggregation of the Group's revenue from contracts with customers as under:

₹ in Lakhs

Segment	Year ended 31 March 2020		
	Plywood and allied products	Medium Density Fibre Board and allied products	Total
Type of Goods			
Finished goods	21,210.73	63,164.12	84,374.85
Stock-in-trade	335.04	-	335.04
Sale of products	21,545.77	63,164.12	84,709.89
Revenue by geography			
- India	21,545.77	47,853.01	69,398.78
- Outside India	-	15,311.11	15,311.11
Total revenue from contracts with customers	21,545.77	63,164.12	84,709.89

Notes to the consolidated financial statements for the year ended 31 March 2020

26. Revenue from operations *(contd.)*

₹ in Lakhs

Segment	Year ended 31 March 2019		
	Plywood and allied products	Medium Density Fibre Board and allied products	Total
Type of Goods			
Finished goods	14,116.15	44,146.32	58,262.47
Stock-in-trade	-	-	-
Sale of products	14,116.15	44,146.32	58,262.47
Revenue by geography			
- India	14,116.15	37,264.83	51,380.98
- Outside India	-	6,881.49	6,881.49
Total revenue from contracts with customers	14,116.15	44,146.32	58,262.47

The reconciliation of the revenue from contracts with customers and other operating revenue is given below :

₹ in Lakhs

Segment	Year ended 31 March 2020		
	Plywood and allied products	Medium Density Fibre Board and allied products	Total
Sale of goods			
- External customers	21,545.77	63,164.12	84,709.89
- Inter-segment	-	-	-
Other Operating Revenue	48.13	2,898.60	2,946.73
	21,593.90	66,062.72	87,656.62
Inter-segment elimination	-	-	-
Less: Other Operating Revenue	(48.13)	(2,898.60)	(2,946.73)
Total revenue from contracts with customers	21,545.77	63,164.12	84,709.89

₹ in Lakhs

Segment	Year ended 31 March 2019		
	Plywood and allied products	Medium Density Fibre Board and allied products	Total
Sale of goods			
- External customers	14,116.15	44,146.32	58,262.47
- Inter-segment	-	-	-
Other Operating Revenue	34.12	1,614.80	1,648.92
	14,150.27	45,761.12	59,911.39
Inter-segment elimination	-	-	-
Less: Other Operating Revenue	(34.12)	(1,614.80)	(1,648.92)
Total revenue from contracts with customers	14,116.15	44,146.32	58,262.47

a) The Group presented disaggregated revenue based on the type of goods sold to customers and location of customers. The Group's revenue is recognised for goods transferred at a point in time. The Group believes that the above disaggregation the best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are effected by industry, market and other economic factors. Segment wise nature, amount, timing and uncertainty of revenues and cash flows are described below:

Nature of goods or services	The Group manufactures and sales, plywood and other plywood-related allied products such as veneer, doors, etc, Medium Density Fibre Board and allied products such as fibre board, plank, etc.
When revenue is recognised	**For Domestic Customer :** Revenue is typically recognised when the goods are delivered to the customer's warehouses. **For Export Customer :** Revenue is typically recognised on the receipt of bill of lading.
Significant payment terms	Payment is received as per the agreed payment terms with customer.
Obligations for returns and refunds, if any	Customers have the right to return the goods to the Group, if the customers are dissatisfied with the quality of product which is determined on a case to case basis by the Group.

b) For contract balances i.e. trade receivables refer Note 11.

c) The amount of revenue from contracts with customers recognised in the statement of profit and loss is the contracted price.

Notes to the consolidated financial statements for the year ended 31 March 2020

27. Other income

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Interest on fixed deposits with banks and others	202.82	69.03
Unspent liabilities no longer required written back	-	165.99
Rental Income	0.87	-
Foreign exchange fluctuations	-	1,021.85
Miscellaneous income	19.71	12.63
	223.40	1,269.50

28. Cost of materials consumed

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Inventory of raw materials at the beginning of the year	3,695.02	-
Add: Amount adjusted pursuant to Scheme of Arrangement	-	4,651.15
Add: Purchases	39,915.78	27,921.44
Less: Inventory of raw materials at the end of the year	(4,740.47)	(3,695.02)
	38,870.33	28,877.57

29. Purchase of stock in trade

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Purchase of traded goods	1,030.82	876.24
	1,030.82	876.24

30. Changes in inventories of finished goods, work-in-progress and stock in trade

See accounting policy in note 3(f)

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Opening inventories		
Work-in-progress	2,423.13	-
Stock in trade	-	-
Finished goods	5,418.79	-
	7,841.92	-
Add: Amount adjusted pursuant to Scheme of Arrangement		
Work-in-progress	-	1,381.56
Stock in trade	-	-
Finished goods	-	2,246.33
	-	3,627.89
Closing inventories		
Work-in-progress	2,587.41	2,423.13
Stock in trade	32.10	-
Finished goods	5,943.94	5,418.79
	8,563.45	7,841.92
Effect of foreign exchange fluctuations	10.15	3.85
	(711.38)	(4,210.18)

Notes to the consolidated financial statements for the year ended 31 March 2020

31. Employees benefits expense

See accounting policy in note 3(i)

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Salaries, wages, bonus, etc.	8,869.20	7,208.25
Contribution to provident and other funds	564.17	452.01
Expenses related to post-employment defined benefit plan	181.44	151.33
Expenses related to compensated absences	138.66	160.96
Staff welfare expenses	135.27	103.10
	9,888.74	8,075.65

Salaries, wages, bonus, etc. includes ₹**619.94 lakhs** (31 March 2019 ₹627.75 lakhs) relating to outsource manpower cost.

Notes:

(a) **Defined contribution plan:** Employee benefits in the form of provident fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organisation established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

(b) **Defined benefit plan:** Retirement benefits in the form of gratuity is considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972.

(c) Actuarial valuation of gratuity liability

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Defined benefit cost		
Current service cost	135.80	106.24
Interest expense on defined benefit obligation	45.64	45.08
Defined benefit cost in Statement of Profit and Loss	181.44	151.32
Remeasurements from financial assumptions	60.85	8.10
Remeasurements from experience adjustments	(110.95)	(42.92)
Defined benefit cost in Other Comprehensive Income (OCI)	(50.10)	(34.82)
Total defined benefit cost in Statement of Profit and Loss and OCI	131.34	116.50
Movement in defined benefit obligation		
Balance at the beginning of the year	684.88	602.65
Interest cost	135.80	106.24
Current service cost	45.64	45.08
Actuarial (gains)/ losses recognised in other comprehensive income	(50.10)	(34.82)
Benefits paid	(65.71)	(34.27)
Balance at the end of the year	750.51	684.88
Sensitivity analysis		
Salary escalation - Increase by 1%	822.43	737.65
Salary escalation - Decrease by 1%	688.60	639.20
Withdrawal rates - Increase by 1%	751.80	689.00
Withdrawal rates - Decrease by 1%	748.53	679.88
Discount rates - Increase by 1%	690.63	639.32
Discount rates - Decrease by 1%	820.87	737.84
Actuarial assumptions		
Mortality table	IALM 2006-2008	IALM 2006-2008
Discount rate (per annum)	7.00%	7.70%
Rate of escalation in salary (per annum)	6.00%	6.00%
Withdrawal rate	1% - 8%	1% - 8%
Weighted average duration of defined benefit obligation (in years)	4.80	5.12

(d) Amount incurred as expense for defined contribution to Provident Fund is ₹**455.44 lakhs** (31 March 2019 ₹339.33 lakhs)

Notes to the consolidated financial statements for the year ended 31 March 2020

32. Finance costs

See accounting policy in note 3(p)

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Interest expense on financial liabilities measured at amortised cost	2,552.21	2,326.39
Interest expense on right to use asset	125.41	-
Interest expense on mark to market valuation of IRS contracts	(502.09)	-
Exchange difference regarded as an adjustment to borrowing cost	2,312.39	381.44
Other borrowing cost	341.02	272.67
Less: Finance cost capitalised	-	(517.26)
	4,828.94	2,463.24

33. Depreciation and amortisation expense

See accounting policy in note 3(d)(iii) and (e)(iii)

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Depreciation of property, plant and equipment	6,401.64	5,258.59
Depreciation of right to use asset	476.05	-
Amortisation of intangible assets	38.85	44.75
	6,916.54	5,303.34

34. Other expenses

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Consumption of stores and spares	1,177.91	945.50
Power and fuel	10,086.67	6,747.53
Rent	271.90	717.18
Repairs to:		
- buildings	91.86	33.79
- plant and equipment	831.28	869.19
- others	577.28	487.57
Insurance	284.68	213.68
Rates and taxes	22.48	49.21
Travelling expenses	1,202.32	806.90
Freight and delivery expenses	4,186.32	3,450.26
Export expenses	1,997.20	1,030.23
Advertisement and sales promotion	884.91	1,107.49
Commission	40.76	33.09
Directors sitting fees	19.58	2.36
Payment to auditors [refer note 34 (i) below]	32.60	29.22
Expenditure on corporate social responsibility	34.53	17.64
Loss on sale/discard of property, plant and equipment	32.47	8.78
Amortisation of leasehold land prepayments	-	16.31
Provision for doubtful debts	100.19	84.78
Foreign exchange fluctuations	505.88	-
Miscellaneous expenses	2,420.43	1,905.87
	24,801.25	18,556.58

34 (i) Payment to auditors

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
As auditors:		
- Statutory audit	27.64	28.32
- Tax audit	-	-
- Limited review of quarterly results	3.90	-
In other capacity		
- Certification fees	0.73	0.90
- Other services	-	-
Reimbursement of expenses	0.33	-
	32.60	29.22

Notes to the consolidated financial statements for the year ended 31 March 2020

35. Income tax

See accounting policy in note 3(o)

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
(a) Amount recognised in Profit and Loss		
Current tax	258.85	499.41
Earlier years tax	-	-
Income tax	258.85	499.41
Deferred tax	(275.02)	(2,218.99)
Mat credit	(258.85)	(499.41)
Deferred tax	(533.87)	(2,718.40)
Tax expense in Statement of Profit and Loss	(275.02)	(2,218.99)
Deferred tax in other comprehensive income	17.51	12.17
Tax expense in Total Comprehensive Income	(257.51)	(2,206.82)
(b) Reconciliation of effective tax rate for the year		
Profit before Tax	1,171.04	1,238.45
Applicable Income Tax rate	34.944%	34.608%
Computed tax expense	409.21	428.60
Additional deduction as per income tax	(15.44)	(2,907.17)
Non-deductible expenses for tax purposes	12.07	6.20
Permanent difference on account of EPCG income	(647.84)	-
Deferred tax asset not recognised on business losses of subsidiary	60.76	330.61
Other temporary differences	(93.78)	(77.23)
Tax expense in Statement of Profit and Loss	(275.02)	(2,218.99)
(c) Recognised deferred tax assets and liabilities:		
Property, plant and equipment and intangible assets	15,434.77	14,733.94
Provisions for employee benefits	(483.02)	(468.35)
Provision for doubtful debts	(151.99)	(121.76)
Foreign exchange differences on account of mark to market valuation	(936.41)	-
Other temporary differences	(252.99)	(9.69)
Unabsorbed depreciation carried forward	(12,163.16)	(12,429.43)
Minimum Alternate Tax (MAT) credit	(758.26)	(499.41)
Deferred tax liabilities	688.94	1,205.30
(d) Reconciliation of Deferred Tax Liability:		
Temporary difference on account of:		
Property, plant and equipment and intangible assets	700.83	10,293.38
Provisions for employee benefits	(32.18)	(42.20)
Provision for doubtful debts	(30.23)	(31.12)
Foreign exchange differences on account of mark to market valuation	(936.41)	-
Other temporary differences	(243.30)	(9.62)
Unabsorbed depreciation carried forward	266.27	(12,429.43)
Minimum Alternate Tax (MAT) credit entitlement	(258.85)	(499.41)
Deferred tax in Statement of Profit and Loss	(533.87)	(2,718.40)
Temporary difference of liabilities in other comprehensive income	17.51	12.17
Deferred tax in Total Comprehensive Income	(516.36)	(2,706.23)
MAT credit utilisation in income tax for earlier years	-	-
Total Deferred tax	(516.36)	(2,706.23)

Notes to the consolidated financial statements for the year ended 31 March 2020

36. Earnings per share

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Basic and diluted earnings per share		
(i) Profit for the year, attributable to the equity shareholders	1,446.06	3,457.44
(ii) Weighted average number of equity shares		
- Number of equity shares at the beginning of the year	12,26,27,395	10,00,000.00
- Number of shares in Share capital suspense	-	12,26,27,395
- Cancelled pursuant to scheme of arrangement	-	10,00,000
- Number of equity shares at the end of the year	12,26,27,395	12,26,27,395
Weighted average number of equity shares	12,26,27,395	12,26,27,395
Basic and diluted earnings per share (₹) [(i)/(ii)]	1.18	2.82

37. Contingent liabilities and commitments

(to the extent not provided for)

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
Contingent liabilities		
(a) Claims against the Group not acknowledged as debts:		
(i) Excise duty, sales tax and other indirect taxes in dispute	1,208.17	1,029.07
(b) Capital and other commitments		
(i) Estimated amount of export obligations to be fulfilled in respect of goods imported under Export Promotion Capital Goods scheme (EPCG)	33,614.22	43,943.10
(ii) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	340.25	-

Claim against the Group not acknowledged as debt:

Cash outflows for the above are determinable only on receipt of judgments pending at various forums/ authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

38. Leases

See accounting policy in note 3(m)

Group as a lessee

The Group has lease contracts for offices and factory land. The Group's obligations under these leases are secured by the lessor's title to the leased assets. The Group is restricted from assigning and subleasing the leased assets. The Group also has certain leases of offices with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemptions for these leases.

(a) Carrying amounts of right-of-use assets

₹ in Lakhs

	Land	Offices	Total
Balance at 1 April 2019	1,241.82	2,094.50	3,336.32
Depreciation charge for the year	(16.31)	(459.74)	(476.05)
Exchange differences on translation of foreign operations	-	25.92	25.92
Balance at 31 March 2020	1,225.51	1,660.68	2,886.19

(b) Lease liabilities

₹ in Lakhs

	Total
Maturity analysis - contractual undiscounted cash flows	
Less than one year	429.04
One to five years	1,325.42
More than five years	304.73
Total undiscounted lease liabilities at 31 March 2020	2,059.19

Notes to the consolidated financial statements for the year ended 31 March 2020

38. Leases *(contd.)*

₹ in Lakhs

	Total
Lease liabilities included in the balance sheet	
Current	316.48
Non-current	1,357.42
Lease liabilities included in the balance sheet at 31 March 2020	1,673.90

(c) Amount recognised in statement of profit and loss

₹ in Lakhs

	Total
Interest expenses on lease liabilities	125.41
Depreciation of right-of-use assets	476.05
Expenses relating to short-term leases (included in other operating expenses)	271.90
Total amount recognised in profit and loss	873.36

(d) Amount recognised in statement of cash flows

₹ in Lakhs

	Total
Total cash outflow for leases	(601.46)

Note: Effective 1 April 2019, the Group has adopted Ind AS 116 'Leases' using the modified retrospective approach and has applied the standard to its leases with the cumulative impact recognised on the date of initial application. The Group has accordingly recognised a right of use asset amounting to ₹2,094.50 lakhs and a corresponding lease liability amounting to ₹1,968.50 lakhs as at 1 April 2019, balance ₹126 lakhs being adjusted from prepaid expenses. Further, an amount of ₹1,241.82 lakhs has been reclassified from non-current/current assets to right of use assets for prepaid operating lease rentals. The adoption of this Standard did not have significant impact on the profit for the year ended 31 March 2020.

39. Related party disclosure

a) Other related parties with whom transactions have taken place during the year

Key Management Personnel (KMP)

i) Mr. Shiv Prakash Mittal, Executive Chairman
ii) Mr. Shobhan Mittal, Managing Director & CEO
iii) Mr. Mahesh Kumar Jiwrajka, Non-Executive Independent Director
iv) Mr. Salil Kumar Bhandari, Non-Executive Independent Director
v) Mr. Arun Kumar Saraf, Non-Executive Independent Director (w.e.f. 14.08.2019)
vi) Ms. Sushmita Singha, Non-Executive Independent Director
vii) Mr. V. Venkatramani, Chief Financial Officer
viii) Mr. Lawkush Prasad, Company Secretary & Assistant Vice President-Legal (w.e.f. 05.02.2020)
ix) Mr. Banibrata Desarkar, Company Secretary & Vice President-Legal (upto 31.01.2020)

Relatives of Key Management Personnel (KMP)

i) Mrs. Chitwan Mittal (Wife of Mr. Shobhan Mittal)

b) Enterprises controlled by Key Management Personnel or their relatives

i) Greenlam Industries Limited
ii) Greenlam South Limited
iii) Greenply Industries Limited

Notes to the consolidated financial statements for the year ended 31 March 2020

39. Related party disclosure *(contd.)*

c) Related party transactions

₹ in Lakhs

Name of the related party	Nature of transaction	31 March 2020	31 March 2019
Greenlam Industries Limited	Sale of products*	847.04	546.14
	Purchase of products*	97.35	137.36
	Rent paid	0.60	-
Greenlam South Limited	Rent paid	0.27	-
Greenply Industries Limited	Sale of products*	82.81	4,416.03
Mr. Shiv Prakash Mittal	Remuneration	118.80	245.14
Mr. Shobhan Mittal	Remuneration	263.81	260.68
Mr. Mahesh Kumar Jiwrajka	Sitting Fees	4.70	1.00
Mr. Salil Kumar Bhandari	Sitting Fees	6.30	0.50
Mr. Arun Kumar Saraf	Sitting Fees	1.70	-
Ms. Sushmita Singha	Sitting Fees	6.70	0.50
Mr. V. Venkatramani	Remuneration	108.93	-
Mr. Lawkush Prasad	Remuneration	3.88	-
Mr. Banibrata Desarkar	Remuneration	18.60	-
Mrs. Chitwan Mittal	Remuneration	29.23	28.23

Note : * indicates the amounts are inclusive of applicable Goods and Service Tax (GST)

d) Outstanding balances

₹ in Lakhs

Name of the related party	Nature of transaction	31 March 2020	31 March 2019
Greenlam Industries Limited	Sale of products	43.64	66.04
	Purchase of products	20.90	3.84
Greenply Industries Limited	Sale of products	-	1,145.23

e) Key Management Personnel compensation

Key management personnels compensation comprised of the following:

₹ in Lakhs

Nature of transaction	31 March 2020	31 March 2019
Short-term employee benefits	479.96	463.22
Other long-term benefits	24.33	34.40
Perquisites	9.73	8.20
Total compensation paid to key management personnel	514.02	505.82

As the future liability for gratuity and compensated encashment is provided on an actuarial basis for the Holding Company as a whole, the amount pertaining to each key management personnel is not separately ascertainable and, therefore, not included above. Based on the recommendation of the Nomination and Remuneration Committee, all decisions relating to the remuneration of the KMPs are taken by the Board of Directors of the Holding Company, in accordance with shareholders' approval, wherever necessary.

f) Terms and conditions of transactions with related parties

Purchase from related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions with other vendors. Outstanding balances at the year-end are unsecured and will be settled in cash and cash equivalents.

The Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken in each financial year through examining the financial position of the related parties and the market in which the related party operates.

h) Details of loans, investments and guarantees covered under Section 186(4) of the Companies Act, 2013

(i) **Details of loans** Not Applicable
(ii) **Details of investments** Not Applicable
(iii) **Details of guarantees** Not Applicable

Notes to the consolidated financial statements for the year ended 31 March 2020

40. Accounting classifications and fair values (Ind AS 107)

See accounting policy in note 3(c)

The fair values of financial assets and liabilities, together with the carrying amounts shown in the Consolidated Balance Sheet are as follows:

₹ in Lakhs

	31 March 2020	31 March 2019
Financial assets at amortised cost		
Non-current		
Loans	1,443.73	1,233.69
Current		
Trade receivables	7,052.11	4,561.86
Cash and cash equivalents	1,125.79	1,956.59
Other bank balances	28.93	28.54
Loans	96.72	32.32
Other financial assets	4,016.44	2,918.69
	13,763.72	10,731.69
Financial assets at fair value through profit and loss		
Current		
Level 2		
Derivatives	552.41	10.39
	552.41	10.39
Total Financial Assets	14,316.13	10,742.08
Financial liabilities at amortised cost		
Non-current		
Borrowings	43,511.90	45,966.53
Other financial liabilities	2,627.68	1,253.00
Current		
Borrowings	7,270.64	4,541.70
Other financial liabilities	7,010.88	10,973.37
Trade payables	12,066.86	8,156.89
	72,487.96	70,891.49
Financial liabilities at fair value through profit and loss		
Current		
Level 2		
Derivatives	-	-
	72,487.96	70,891.49

41. Fair value measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

The Group has established the following fair value hierarchy that categories the value into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: The hierarchy uses quoted prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (for example traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on Group specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Financial assets and liabilities measured at fair value - recurring fair value measurements are as follows:

₹ in Lakhs

	31 March 2020	31 March 2019
Financial assets - Level 2		
Derivatives	552.41	10.39
Financial liabilities - Level 2		
Derivatives	-	-

The management assessed that trade receivables, cash and cash equivalent, other bank balances, trade payable, cash credits, borrowings and other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

Notes to the consolidated financial statements for the year ended 31 March 2020

41. Fair value measurement *(contd.)*

The following methods and assumptions were used to estimate the fair values:

(a) The fair value of the quoted investments are based on market price at the respective reporting date.

(b) The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves based on report obtained from banking partners.

(c) The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies based on report obtained from banking partners.

42. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

(i) Credit risk
(ii) Liquidity risk
(iii) Market risk

Risk management framework

The Group's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group operations. The Group's principal financial assets, other than derivatives include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations. The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Group uses derivative financial instruments to mitigate foreign exchange related risk exposures. Foreign currency options contract are entered to hedge certain foreign currency risk exposures and interest rate swaps to hedge variable interest rate exposures. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

The sources of risks which the Group is exposed to and their management is given below:

Risk	Exposure Arising from	Measurement	Management
Credit risk	Trade receivables, Investments, Derivative financial instruments, Loans	Ageing analysis, Credit rating	Diversification of mutual fund investments, Credit limit and credit worthiness monitoring, credit based approval process.
Liquidity risk	Borrowings and Other liabilities	Rolling cash flow forecasts	Adequate unused credit lines and borrowing facilities.
Market risk Foreign exchange risk	Committed commercial transaction, Financial asset and liabilities not denominated in ₹	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts.
Interest rate	Long term borrowings at variable rates	Sensitivity analysis Interest rate movements	Interest rate swaps

(i) Credit risk

Credit risk is the risk of financial loss of the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group receivables from customers and loans. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/investing activities, including deposits with bank, foreign exchange transactions and financial guarantees. The Group has no significant concentration of credit risk with any counterparty. The carrying amount of financial assets represent the maximum credit risk exposure.

Trade receivable

The management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

Notes to the consolidated financial statements for the year ended 31 March 2020

42. Financial risk management *(contd.)*

Exposure to credit risks

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. Details of concentration percentage of revenue generated from top customer and top five customers are stated below:

₹ in Lakhs

Particulars	31 March 2020	31 March 2019
Revenue from a top customer	5.89%	6.38%
Revenue from top five customers	10.72%	12.26%

Trade receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. As per simplified approach, the Group makes provision of expected credit loss on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix to compute the credit loss allowance for trade receivables. The said provision has been netted off under trade receivables.

₹ in Lakhs

Particulars	31 March 2020	31 March 2019
Balance at the beginning	326.38	-
Add: Amount adjusted pursuant to Scheme of Arrangement	-	229.48
Impairment loss recognised	100.19	96.90
Balance at the end	426.57	326.38

The ageing analysis of the trade receivables (gross of provision) has been considered from the final due date of the invoice:

₹ in Lakhs

	Not Due	Less than 6 months	6-12 months	More than 1 year	Total
As at 31 March 2020					
Gross carrying amount	1,683.60	5,157.96	217.84	419.28	7,478.68
Expected credit loss (Provision for Bad Debts)	6.85	55.28	33.67	330.77	426.57
Carrying amount (net of impairment)	1,676.75	5,102.68	184.17	88.51	7,052.11

(ii) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Group's finance team is responsible for liquidity, finding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's liquidity position through rolling forecasts on the basis of expected cash flows.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Exposure to liquidity risk

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

₹ in Lakhs

31 March 2020	< 1 year	1 - 5 years	> 5 years	Total
Borrowings (including current maturities)*	14,230.40	31,522.11	14,786.37	60,538.88
Trade payables	12,066.86	-	-	12,066.86
Other financial liabilities	1,525.07	2,360.45	267.23	4,152.75
	27,822.33	33,882.56	15,053.60	76,758.49

₹ in Lakhs

31 March 2019	< 1 year	1 - 5 years	> 5 years	Total
Borrowings (including current maturities)*	14,258.99	31,067.64	18,056.64	63,383.27
Trade payables	8,156.89	-	-	8,156.89
Other financial liabilities	2,723.95	1,253.00	-	3,976.95
	25,139.83	32,320.64	18,056.64	75,517.11

* including estimated interest

(iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument . The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates,

Notes to the consolidated financial statements for the year ended 31 March 2020

42. Financial risk management *(contd.)*

commodity prices, equity prices and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings. The Group uses derivatives to manage market risks. All such transactions are carried out within the guidelines set by the management.

(a) Currency risk

Foreign currency risk is the risk impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings, import of raw materials and spare parts, capital expenditure, exports of finished goods. The Group evaluates exchange rate exposure arising from foreign currency transactions. The Group follows established risk management policies and standard operating procedures. It uses derivative instruments like foreign currency swaps and forwards to hedge exposure to foreign currency risk.

Exposure to currency risk

The Group's exposure to foreign currency at the end of the reporting period are as follows:

Particulars	Currency	31 March 2020		31 March 2019	
		Amount in Foreign currency	₹ in Lakhs	Amount in Foreign currency	₹ in Lakhs
Hedged exposures					
Borrowings	USD	1,04,50,000	7,899.16	-	-
Borrowings - Buyers credit	USD	6,44,464	487.15	3,71,102	256.47
Trade payables	EURO	88,056	73.38	2,18,797	169.60
	USD	1,98,103	149.75	1,77,416	122.61
			223.13		292.21
Unhedged exposures					
Borrowings	EURO	3,78,64,322	31,552.49	4,20,71,469	32,611.19
	USD	-	-	1,10,00,000	7,602.10
			31,552.49		40,213.29
Borrowings - Packing credit	USD	6,73,446	509.06	4,21,692	291.43
Borrowings - Foreign bill discounting	EURO	1,03,000	85.83	2,06,000	159.68
Trade payables	EURO	41,391	34.49	87,158	67.56
	USD	2,94,783	222.83	5,49,536	379.78
			257.32		447.34
Liability for Capital Goods	EURO	4,43,667	369.71	11,09,334	859.89
Interest accrued but not due on borrowings	EURO	88,876	74.06	72,179	55.95
	USD	39,188	29.62	38,958	26.92
			103.68		82.87
Trade receivables	USD	15,27,500	1,154.64	16,65,127	1,150.77

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD and EURO against Indian rupee at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

₹ in Lakhs

Particulars	Nature	Effect	31 March 2020	31 March 2019
USD (5% Movement)	Profit or loss	Strengthening	19.66	(357.47)
		Weakening	(19.66)	357.47
	Equity, net of tax	Strengthening	12.79	(233.76)
		Weakening	(12.79)	233.76
EUR (5% Movement)	Profit or loss	Strengthening	(1,605.83)	(1,687.71)
		Weakening	1,605.83	1,687.71
	Equity, net of tax	Strengthening	(1,044.69)	(1,103.63)
		Weakening	1,044.69	1,103.63

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group exposure to the risk of changes in market interest rates related primarily to the Group's short term borrowing with floating interest rates. For all long term borrowings with floating rates, the risk of variation in the interest rates in mitigated through interest rate swaps. The Group constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Notes to the consolidated financial statements for the year ended 31 March 2020

42. Financial risk management *(contd.)*

Exposure to interest rate risk

The interest rate profile of the Group 's interest bearing financial instruments at the end of the reporting period are as follows:

₹ in Lakhs

Particulars	31 March 2020	31 March 2019
Fixed rate instruments		
Financial assets	-	-
Financial liabilities	(1,431.56)	(1,983.63)
	(1,431.56)	(1,983.63)
Effect of interest rate swaps	(7,899.16)	(7,602.10)
	(9,330.72)	(9,585.73)
Variable rate instruments		
Financial assets	-	-
Financial liabilities	(55,651.44)	(58,048.35)
	(55,651.44)	(58,048.35)
Effect of interest rate swaps	7,899.16	7,602.10
	(47,752.28)	(50,446.25)

Sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

In case of variable rate instrument from Landesbank Baden-Wurttenberg, the EURIBOR element is negative since long and seems to continue for a foreseeable period, and as such the sensitivity analysis below is unrepresentative of a risk inherent in the said financial instrument.

A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below:

₹ in Lakhs

Particulars	Nature	Effect	31 March 2020	31 March 2019
Variable rate instruments	Profit or loss	Strengthening	(556.51)	(580.48)
		Weakening	556.51	580.48
	Equity, net of tax	Strengthening	(362.04)	(379.59)
		Weakening	362.04	379.59
Interest rate swap	Profit or loss	Strengthening	78.99	76.02
		Weakening	(78.99)	(76.02)
	Equity, net of tax	Strengthening	51.39	49.71
		Weakening	(51.39)	(49.71)
Cash flow sensitivity (net)	Profit or loss	Strengthening	(477.52)	(504.46)
		Weakening	477.52	504.46
	Equity, net of tax	Strengthening	(310.66)	(329.88)
		Weakening	310.66	329.88

43. Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Group's objective when managing capital are to: (a) to maximise shareholders value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Group's capital management, capital includes issued equity share capital and other equity reserves attributable to the equity holders.

The Group monitors capital using debt-equity ratio, which is total debt less liquid investments divided by total equity.

₹ in Lakhs

Particulars	31 March 2020	31 March 2019
Total debt (Bank and other borrowings)	56,106.28	58,651.38
Less: Cash and cash equivalents	1,125.79	1,956.59
Less: Other bank balances	28.93	28.54
Less: Balances with banks on deposit accounts	1,200.00	-
Adjusted net debt	53,751.56	56,666.25
Equity	66,164.33	64,549.80
Debt to Equity (net)	0.81	0.88

In addition, the Group has financial covenants relating to the banking facilities that it has taken from all the lenders like interest service coverage ratio, Debt to EBITDA, current ratio etc. which is maintained by the Group.

Notes to the consolidated financial statements for the year ended 31 March 2020

44. Operating segments

A. Basis of segment

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group' s other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Group's Chief operating decision maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

The Group has two reportable segments, as described below, which is the Group's strategic business units. These business units are managed separately because they require different technology and marketing strategies.

The following summary describes the operations in each of the Group's reportable segments:

Reportable segment	Operations
Plywood and allied products	Manufacturing
Medium Density Fibre Boards and allied products	Manufacturing

B. Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Group's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

₹ in Lakhs

Year ended 31 March 2020	Reportable segments			All other segments	Total
	Plywood and allied products	Medium Density Fibre Boards and allied products	Total Reportable segments		
Segment revenue:					
- External revenues					
a) Sales	21,545.77	63,164.12	84,709.89	-	84,709.89
b) Other operating income	48.13	2,898.60	2,946.73	-	2,946.73
- Inter-segment revenue	-	-	-	-	-
Total segment revenue	21,593.90	66,062.72	87,656.62	-	87,656.62
Segment profit/(loss) before income tax	2,869.36	8,052.45	10,921.81	-	10,921.81
Segment profit/(loss) before income tax includes:					
Interest revenue	-	-	-	-	-
Interest expense	-	-	-	-	-
Depreciation and amortisation	448.20	5,581.86	6,030.06	-	6,030.06
Tax expense	-	-	-	-	-
Other material non cash item (if any)	-	-	-	-	-
Segment assets	10,903.33	1,23,651.53	1,34,554.86	-	1,34,554.86
Segment liabilities	3,624.68	66,085.42	69,710.10	-	69,710.10

₹ in Lakhs

Year ended 31 March 2019	Reportable segments			All other segments	Total
	Plywood and allied products	Medium Density Fibre Boards and allied products	Total Reportable segments		
Segment revenue:					
- External revenues					
a) Sales	14,116.15	44,146.32	58,262.47	-	58,262.47
b) Other operating income	34.12	1,614.80	1,648.92	-	1,648.92
- Inter-segment revenue	-	-	-		-
Total segment revenue	14,150.27	45,761.12	59,911.39	-	59,911.39
Segment profit/(loss) before income tax	2,041.32	4,937.09	6,978.41	-	6,978.41
Segment profit/(loss) before income tax includes:					
Interest revenue	-	-	-	-	-
Interest expense	-	-	-	-	-
Depreciation and amortisation	446.98	4,383.94	4,830.92	-	4,830.92
Tax expense	-	-	-	-	-

Notes to the consolidated financial statements for the year ended 31 March 2020

44. Operating segments *(contd.)*

₹ in Lakhs

Year ended 31 March 2019	Reportable segments			All other segments	Total
	Plywood and allied products	Medium Density Fibre Boards and allied products	Total Reportable segments		
Other material non cash item (if any)	-	-	-	-	-
Segment assets	12,124.30	1,24,539.67	1,36,663.97	-	1,36,663.97
Segment liabilities	3,982.69	73,450.06	77,432.75	-	77,432.75

Property, plant and equipment are allocated based on location of the assets.

C. Reconciliations of information on reportable segments to Ind AS measures

₹ in Lakhs

	Year ended 31 March 2020	Year ended 31 March 2019
i. Revenues		
Total revenue for reportable segments	87,656.62	59,911.39
Revenue for other segments	-	-
Elimination of inter-segment revenue	-	-
Elimination of revenue of discontinued operation	-	-
Consolidated revenue	87,656.62	59,911.39
ii. Profit before tax		
Total profit before tax for reportable segments	10,921.81	6,978.41
Profit before tax for other segments	-	-
Elimination of inter-segment profits	-	-
Elimination of profit of discontinued operation	-	-
Unallocated amounts:		
Corporate expenses	(8,667.03)	(5,739.96)
Consolidated profit before tax	2,254.78	1,238.45
iii. Assets		
Total assets for reportable segments	1,34,554.86	1,36,663.97
Assets for other segments	-	-
Unallocated amounts	12,027.04	9,131.36
Consolidated total assets	1,46,581.90	1,45,795.33
iv. Liabilities		
Total liabilities for reportable segments	69,710.10	77,432.75
Liabilities for other segments	-	-
Unallocated amounts	10,707.47	3,812.78
Consolidated total liabilities	80,417.57	81,245.53

v. Other material items

₹ in Lakhs

Particulars	Year ended 31 March 2020			Year ended 31 March 2019		
	Reportable segment total	Adjustments	Consolidated totals	Reportable segment total	Adjustments	Consolidated totals
Interest revenue	-	-	-	-	-	-
Interest expense	-	4,828.94	4,828.94	-	2,463.24	2,463.24
Depreciation and amortisation expense	6,030.06	886.48	6,916.54	4,830.92	472.42	5,303.34

Notes to the consolidated financial statements for the year ended 31 March 2020

44. Operating segments *(contd.)*

D. Geographical information

₹ in Lakhs

Particulars	Within India		Outside India		Total	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
External revenue by location of customers	72,345.51	53,029.90	15,311.11	6,881.49	87,656.62	59,911.39
Carrying amount of segment assets by location of assets	1,44,007.20	1,42,620.79	2,574.70	3,174.54	1,46,581.90	1,45,795.33

E. Major customer

The Group does not receive 10% or more of its revenues from transactions with any single external customer.

45. Taxation

The Group has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulations under Sections 92-92F of the Income-Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Group continuously updates its documents for the international transactions entered into with the associated enterprises during the financial year. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense for the year and that of provision for taxation.

46. Dues to Micro enterprises and small enterprises

₹ in Lakhs

		31 March 2020	31 March 2019
(a)	The amounts remaining unpaid to Micro and Small suppliers as at the end of each accounting year		
	- Principal	1.72	0.81
	- Interest	-	-
(b)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

Note: The above information regarding Micro Small & Medium Enterprises has been determined to the extent such parties have been identified on the basis of the information available with the Group. The same has been relied upon by the auditors.

47. Government grant (Ind AS 20): Other operating revenue includes incentives against scheme of budgetary support under Goods and Services Tax Regime for the unit set-up in Rudrapur-MDF, Uttarakhand of ₹731.72 lakhs (31 March 2019 ₹876.55 lakhs)

Government grants receivable as on 31 March 2020 includes capital incentive subsidy of ₹1,477.50 lakhs, power cost reimbursement subsidy of ₹918.37 lakhs, and refund of goods and service tax on exports of ₹568.82 lakhs for the unit set-up in Chittor, Andhra Pradesh. It also includes incentive receivable against scheme of budgetary support under Goods and Services Tax Regime of ₹983.38 lakhs for the unit set-up in Rudrapur, Uttarakhand. All of these grants are pending to be sanctioned/approved at various levels of government departments.

Notes to the consolidated financial statements for the year ended 31 March 2020

48. Exceptional Items

₹ in Lakhs

	31 March 2020	31 March 2019
Liability for repayment of central excise refund	1,083.74	-

The Hon'ble Supreme Court of India vide its Order dated 22 April 2020 upheld the Special Leave Petition filed by the Union of India & Others in Civil Appeal Nos.2256-2263 of 2020 arising out of S.L.P. (C) Nos. 28194-28201/2010 in respect of availing of area based exemption under Central Excise in respect of manufacturing unit of Greenply Industries Limited (Greenply) at Tizit, Nagaland. Greenply may have to refund maximum principal amount upto ₹2,709.36 lakhs in respect of excess refund received from the Excise Department for the period from 1 April 2008 to 30 June 2017. There is no penalty in this matter. The Excise Act does not contain any provision requiring payment of interest on amount erroneously refunded.

However, as per Clause No. 4.3.6 of the Composite Scheme of Arrangement between Greenply and the Holding Company duly approved by the Hon'ble National Company Law Tribunal, Guwahati Bench on 28 June 2019, the above principal amount of ₹2,709.36 lakhs along with interest, if any, shall be shared by Greenply and the Holding Company. The Holding Company has, as a matter of abundant precaution, considered the probable outflow of ₹1,083.74 lakhs i.e. 40% of ₹2,709.36 lakhs as liability, based on the legal opinion and facts of present circumstances, and accordingly recognised the same as an exceptional expense in the Consolidated Statement of Profit and Loss.

49. Disclosure of Covid-19 impact on the Group

Due to outbreak of COVID-19 which has been declared as a Pandemic by World Health Organization and subsequent lock down ordered by the Central and State Government(s) in India, the manufacturing facility of the Holding Company at Rudrapur, Uttarakhand remained suspended from 24 March 2020 till 26 May 2020, and at Chittor, Andhra Pradesh from 26 March 2020 till 21 May 2020. In adherence to the safety norms prescribed by Government of India, the operations have been partially resumed as per Government guidelines in manufacturing units and offices. The same will be scaled up in accordance with the guidelines being issued by the respective States and due consideration for safety of employees.

This situation has disturbed the economic activity through interruption in manufacturing activities. Considering that the lockdown is being gradually lifted and economic activity resumes to its normal levels without further disruption, it is expected to achieve normalcy in operations from Q3 of FY 2020-2021. The Holding Company has availed moratorium on some of the payments falling due between March and May 2020 in order to maintain proper liquidity position. During lockdown period revenues and profitability of the Group were adversely impacted. The exact impact on profitability is yet to be determined as on date. Although the overall demand of the products has been impacted for a short-term, but due to easing out of restriction in lockdown demand for the products is gradually recovering.

50. Distribution made and proposed dividend (Ind AS 1)

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including dividend distribution tax thereon) as at 31 March 2020. Since no dividend has been proposed in the current and previous year, financial figures with respect to the same has not been given.

51. The figures for the previous year are re-classified/ re-arranged / re -grouped, wherever necessary so as to be in conformity with the figures of the current year's classification/disclosure.

As per our report of even date attached
For **S.S. Kothari Mehta & Company**
Chartered Accountants
Firm Registration number: 000756N

Sunil Wahal
Partner
Membership No: 087294

For and on behalf of Board of Directors of
Greenpanel Industries Limited
CIN: L20100AS2017PLC018272

Shiv Prakash Mittal
Executive Chairman
(DIN : 00237242)

Shobhan Mittal
Managing Director & CEO
(DIN : 00347517)

V. Venkatramani
Chief Financial Officer

Lawkush Prasad
Company Secretary & AVP-Legal

Place : New Delhi
Dated : 18 June 2020

Place : Kolkata
Dated : 18 June 2020

Notes

Notes

Corporate Information

Board of Directors

Mr. Shiv Prakash Mittal, Executive Chairman
Mr. Shobhan Mittal, Managing Director & CEO
Mr. Arun Kumar Saraf, Independent Director
Mr. Mahesh Kumar Jiwrajka, Independent Director
Mr. Salil Kumar Bhandari, Independent Director
Ms. Sushmita Singha, Independent Director

Audit Committee

Mr. Salil Kumar Bhandari, Chairman
Mr. Mahesh Kumar Jiwrajka
Mr. Arun Kumar Saraf
Ms. Sushmita Singha
Mr. Shiv Prakash Mittal

Stakeholders Relationship Committee

Mr. Mahesh Kumar Jiwrajka, Chairman
Mr. Shiv Prakash Mittal
Mr. Shobhan Mittal

Nomination & Remuneration Committee

Mr. Salil Kumar Bhandari, Chairman
Mr. Mahesh Kumar Jiwrajka
Ms. Sushmita Singha

Corporate Social Responsibility Committee

Ms. Sushmita Singha, Chairperson
Mr. Shiv Prakash Mittal
Mr. Shobhan Mittal

Operational Committee

Mr. Shiv Prakash Mittal, Chairman
Mr. Shobhan Mittal
Mr. Arun Kumar Saraf

Chief Financial Officer

Mr. Vishwanathan Venkatramani

Chief Investor Relations Officer

Mr. Vishwanathan Venkatramani, CFO

Company Secretary & AVP-Legal

Mr. Lawkush Prasad

Bankers/financial institutions

Axis Bank Limited
HDFC Bank Limited
Landesbank Baden-Wurttemberg
RBL Bank Limited
Standard Chartered Bank
State Bank of India

Statutory Auditors

M/s. S. S. Kothari Mehta & Co (FRN: 000756N)
Plot No. 68, Okhla Industrial Area, Phase – III,
New Delhi - 110020

Registrar & Share Transfer Agent

M/S Maheshwari Datamatics Private Limited
23, R N Mukherjee Road, 5th Floor, Kolkata - 700001
Phone: (033) 2248-2248, 2243-5029

Registered Office:

Makum Road, P.O. Tinsukia, Assam - 786125

CIN

L20100AS2017PLC018272

Corporate Office:

Thapar House, 2nd Floor
163, S. P. Mukherjee Road, Kolkata - 700 026
Phone: (033)-4084-0600
Fax: (033)-2464-5525
Email: investor.relations@greenpanel.com
Website: www.greenpanel.com

Manufacturing Facilities

Pantnagar, Rudrapur, Uttarakhand
Chittoor, Andhra Pradesh

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