GIL/2017-18
24th August, 2017

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

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

Dear Sir/Madam,

Sub: Submission of Annual Report for the financial year 2016-17, pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Subsequent to the 27th Annual General Meeting of the members of the Company, held on 21st August, 2017, please find enclosed Annual Report for the financial year 2016-17.

Please take the same into your record.

Thanking you,

Yours faithfully,
For GREENPLY INDUSTRIES LIMITED

KAUSHAL KUMAR AGARWAL
COMPANY SECRETARY &
VICE PRESIDENT-LEGAL

Encl: a/a

Greenply Industries Limited



EXPERIENCE MEETS EXPERTISE

ANNUAL REPORT 2016-17

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FINANCIAL STATEMENTS

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NET SALES
₹ **1,654.9** cr

EBIDTA
₹ **257.6** cr

POST-TAX PROFIT
₹ **135.1** cr

CASH PROFIT
₹ **183.6** cr

EARNINGS PER SHARE
₹ **11.08**

EQUITY SHARE INFORMATION

Market capitalisation
₹ 3,422 crore
(31st March, 2017)

Proposed dividend
₹ 0.60 per share
(Face value ₹ 1)

Promoters holding
51.03%

National Stock Exchange of India Limited (NSE)
GREENPLY

BSE Limited (BSE)
526797

Bloomberg Code
MTLM:IN

Reuters Code
GRPL.NS

Find out more on www.greenply.com

Forward Looking Statement

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



Experience. Expertise.

One complements the other.

Therefore, when they come together, they create a force multiplier.

A happy harmony of Experience and Expertise is Greenply.

EXPERIENCE (E)

It is more than just a word for us. It encapsulates diverse aspects of our achievement over the years.

BRAND PROMINENCE

MARKET LEADERSHIP

INTEGRATED OPERATIONS

STRONG STAKEHOLDER RELATIONSHIPS

TALENTED TEAM

PRODUCT RANGE

EXPERTISE (E)

It's the operative word at Greenply. The reason is not far to seek:

MANUFACTURING EFFICIENCY

QUALITY BENCHMARKS

RAW MATERIAL STRATEGY

DISTRIBUTION NETWORK

TECHNOLOGY EXCELLENCE

SUSTAINABLE VALUE CREATION

*E*E = Encouraging Outcomes*

25+

Over twenty-five years of experience in the interior infrastructure industry

Trusted

Greenply is one of India's most trusted premier interior infrastructure brand.

26%+

Market share in the organised plywood segment

30%

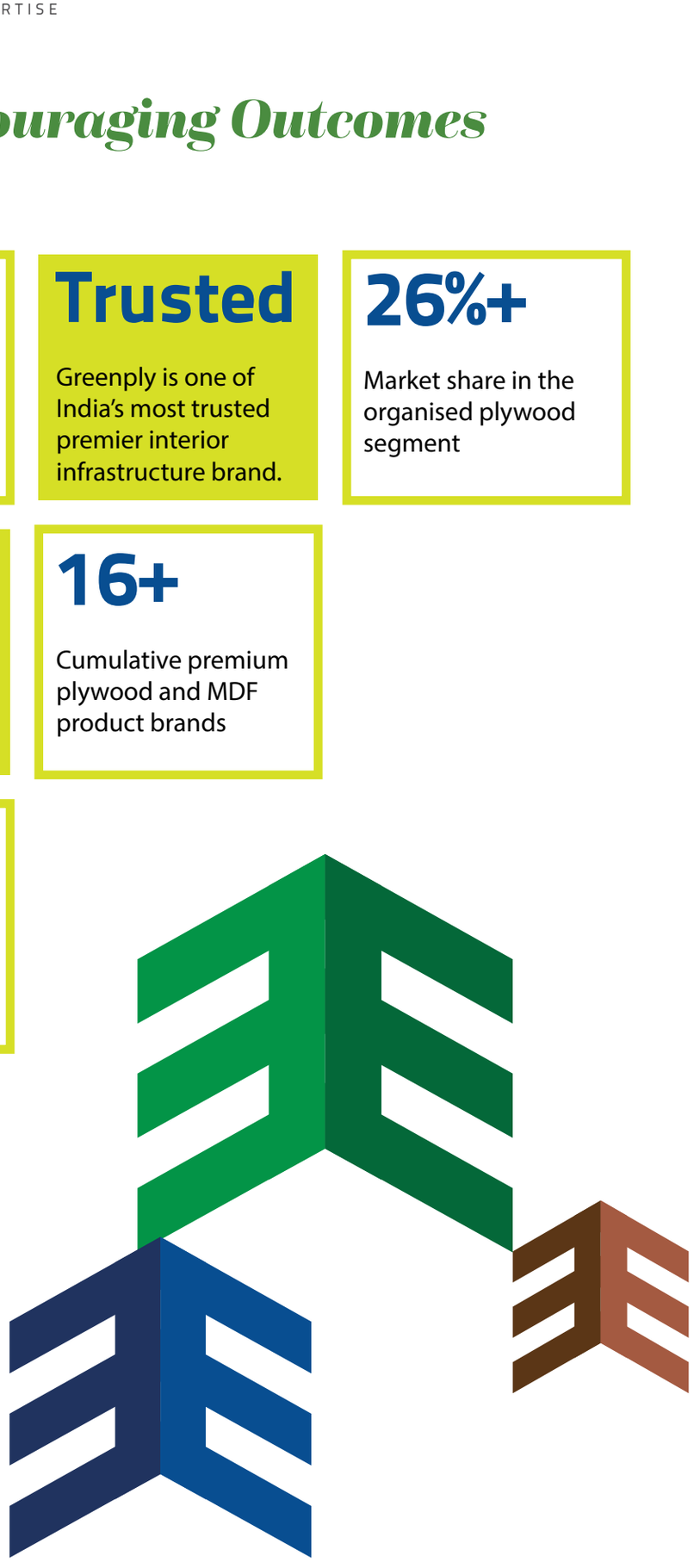
Market share in the domestic MDF market

16+

Cumulative premium plywood and MDF product brands

15+

Countries in which we export





5

World-class manufacturing facilities

39

Pan-India branches for plywood and MDF across 21 states

10,000+

Distributors, stockists, dealers, sub-dealers, and retailers

3,400+

Dynamic team

108%

Plywood capacity utilisation in 2016-17

105%

MDF capacity utilisation in 2016-17

At Greenply, we are identifying high potential markets and accordingly sharpening strategies, resource allocation and expansion plans.

We enhanced our outreach across cities, towns and villages through bespoke branding and marketing initiatives. We are engaging more with architects, carpenters, and key market influencers to enhance product awareness.

Not just this. We steadily enhanced our operational efficiency to ensure that the capacities were optimally utilised throughout the year.

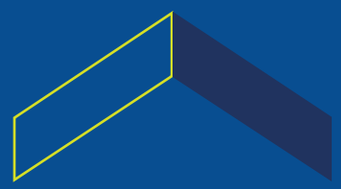
We also implemented a rational cost structure to instil a culture of zero tolerance to wastage. At the same time, we are empowering our people through various training initiatives to build a dependable talent pool for the future.

We are using our experience and expertise to create value for the long-term, and we believe that our best days are ahead of us.

Societal trends! Growth catalysts! Simply, both.



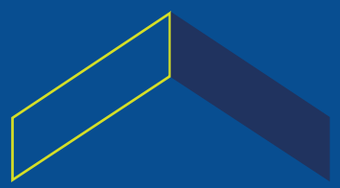
FASTER URBANISATION



MORE CONSUMPTION HUBS BEYOND METROS



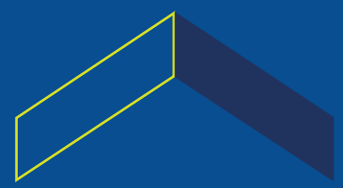
ENHANCED GOVERNMENT IMPETUS IN INFRASTRUCTURE CREATION



HUGE YOUTH BULGE IN POPULATION



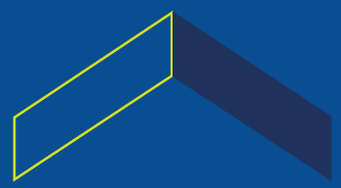
RISING DISCRETIONARY INCOME



GROWING MIDDLE CLASS POPULATION



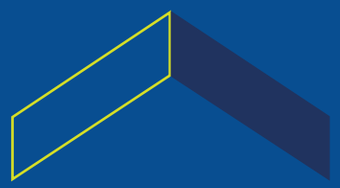
INCREASING NUCLEAR FAMILIES



GROWING DEMAND FOR RESIDENTIAL AND COMMERCIAL SPACES



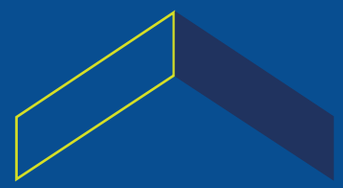
MORE USE OF PANEL PRODUCTS AT HOME AND OFFICE BUILDINGS



SHIFTING CUSTOMER PREFERENCE TOWARDS BRANDED BUILDING PRODUCTS



GROWING CUSTOMER PREFERENCE FOR MDF OVER LOW-END PLYWOOD PRODUCTS



RISING DEMAND FOR READYMADE FURNITURE

Greenply at a Glance

Greenply Industries Limited (GIL) primarily engaged in the manufacture of an array of wood-based panel products, which include plywood, medium density fibre (MDF) boards and allied products.

We recently ventured into the business of trading of wallcovers in different categories, sourced from various overseas suppliers and marketed in India under the brand name 'Greenteriors'.

We address different price points to cater to customers across high-end, mid-market and economical segments. We believe this pan-India dealer network ensures that our products are easily available in almost any part of India.

CORE BRANDS

Greenply Plywood	PLYWOOD
Green Panelmax MDF Board	MEDIUM DENSITY FIBREBOARDS (MDF)
Green Floormax Flooring	WOOD FLOORS
greenteriors	WALLCOVERS

PRODUCT SEGMENTS



PLYWOOD AND BLOCK BOARD



MEDIUM DENSITY FIBREBOARD (MDF)



WOOD FLOORS



GREEN DOORS



DECORATIVE VENEERS AND RECONSTITUTED VENEERS



WALLCOVERS

STAYING TRUE TO OUR VISION

Transform every house to a home

DRIVEN BY OUR MISSION

Ensure on-time delivery of high-quality products

Create a cordial atmosphere within the organisation

Implement environmentally and socially considerate decisions for ourselves and the community

QUALITY ASSURANCE

We have ISO 9001:2008, ISO 14001:2004 and OHSAS 18001 certifications for the manufacture and supply of all the products manufactured in our plants (located at Pantnagar, Uttarakhand and Kriparampur, West Bengal).

We have an ISO 9001:2008 certification for the manufacture and supply of all the products manufactured at our plant located at Bamanbore, Gujarat.

BUSINESS ENABLERS

Nurturing a growth-oriented environment where passionate, skilled, problem solvers can uncork their potential

Offering right products through a deep understanding of one's own requirement

Adopting ground-breaking measures that reshaped the plywood industry

STRONG PAN-INDIA NETWORK

Our sales and marketing team periodically reviews new products, assesses market trends and develops business relations. We have a pan India marketing network of:

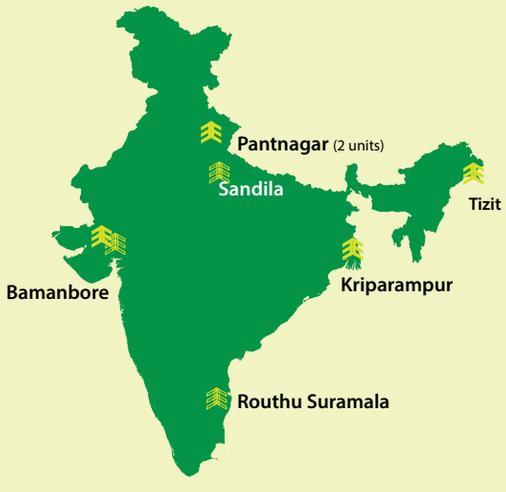
- **Pan-India branches:** 24 for plywood and 15 for MDF
- **Distributor, Dealer and Stockist:** Plywood - 1,656 and MDF - 472
- **Retailer network:** Plywood - 3,042 and MDF - 5,000

MANUFACTURING FACILITIES & CAPACITIES

FACILITY	PRODUCT	CAPACITY
Tizit, Nagaland	Plywood	4.50 mn. sq. mts.
Kriparampur, West Bengal	Plywood	6.00 mn. sq. mts.
Pantnagar, Uttarakhand	Plywood	10.50 mn. sq. mts.
	MDF	0.18 mn. cubic mts.
Bamanbore, Gujarat	Plywood	11.40 mn. sq. mts.

32.4 mn. sq. mts.
Cumulative plywood capacity

0.18 mn. cubic mts.
Medium Density Fibreboard capacity



Map not to scale

UPCOMING PLANTS

Bamanbore, Gujarat	Decorative Veneers/ Decorative Plywood	2.25 mn. sq. mts.
Sandila, Uttar Pradesh	Plywood	13.5 mn. sq. mts.
Routhu Suramala, Chittoor, Andhra Pradesh	MDF	0.36 mn. cubic mts.

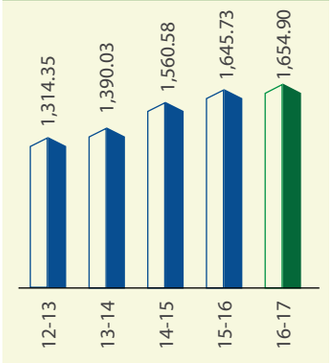
mn. sq. mts.: million square metres | mn. cubic mts.: million cubic metres

EXISTING PLANTS

UPCOMING PLANTS

E*E = Consistent Performance

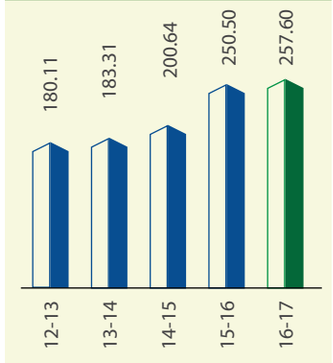
Net Sales (₹ in crore)



Y-O-Y 0.6%

5-YEAR CAGR 5.9%

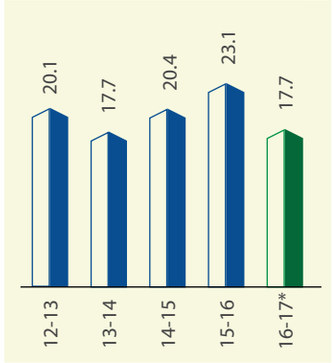
EBIDTA (₹ in crore)



Y-O-Y 2.8%

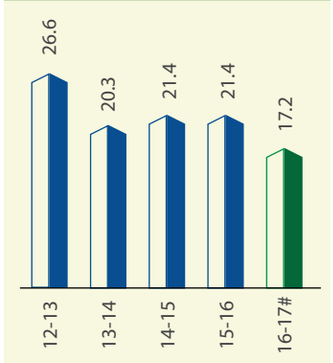
5-YEAR CAGR 9.4%

ROCE (%)



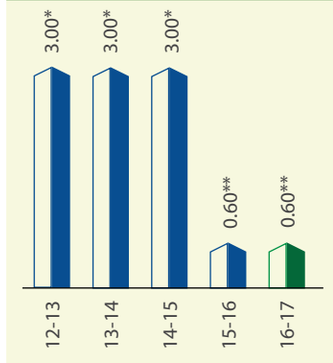
*Capital employed includes investments of ₹ 416 crores in expansion projects

ROE (%)



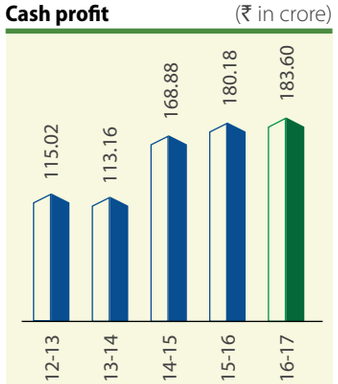
#equity includes equity of ₹ 226 crores invested in expansions

Dividend per share (₹)



*Face Value ₹ 5 per share
** Face Value ₹ 1 per share

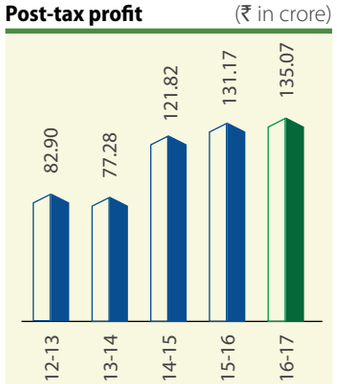
Cash profit (₹ in crore)



Y-O-Y 1.9%

5-YEAR CAGR 12.4%

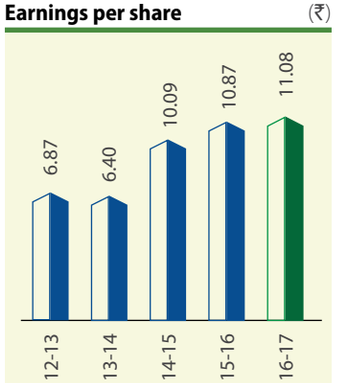
Post-tax profit (₹ in crore)



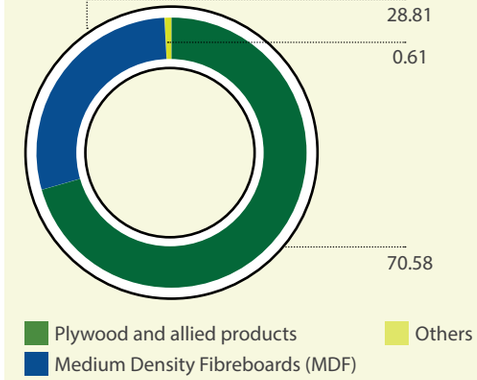
Y-O-Y 3.0%

5-YEAR CAGR 13.0%

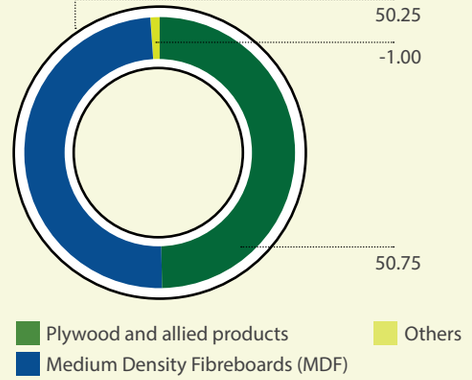
Earnings per share (₹)



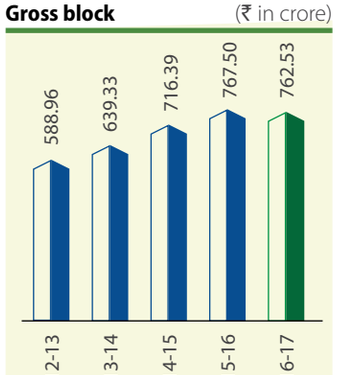
Revenue by division (%)



EBITDA by division (%)



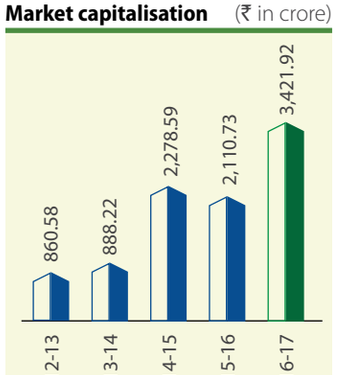
Gross block (₹ in crore)



Y-O-Y -0.6%

5-YEAR CAGR 6.7%

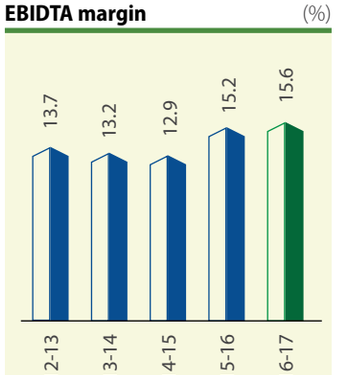
Market capitalisation (₹ in crore)



Y-O-Y 62.12%

5-YEAR CAGR 41.21%

EBIDTA margin (%)



Key ratios %

	2012-13	2013-14	2014-15	2015-16	2016-17
Debt equity ratio	1.30	1.00	0.70	0.42	0.48
Fixed assets turnover ratio	2.31	2.27	2.15	2.16	2.15
Current ratio	1.06	1.06	1.21	1.33	1.34
Quick ratio	0.62	0.59	0.81	1.01	0.98
Inventory turnover ratio	6.09	5.64	8.20	11.88	10.46
Interest coverage ratio	3.45	3.74	4.28	6.97	11.54

Chairman's Perspective



In its seventh decade of Independence, over US$1 trillion has been added to the national GDP, lifting tens of millions to the middle class. Our objective is to make the most of this opportunity with speed and precision, using our brand respect and recall.

DEAR FRIENDS,

Our experience and expertise, powered by the support and guidance of all our stakeholders have enabled us to reach the stature that we have attained today. While over twenty-five years of experience in the interior infrastructure industry have enriched our market insight and sharpened our capabilities, a lot more needs to be achieved, going forward. I believe, it is an opportunity for us to be operating at a time when the economic and business landscape of India is radically changing; and policymakers are creating enablers for strong and sustainable growth. India is evolving fast. In its seventh decade of Independence, over US$1 trillion has been added to the national GDP, lifting tens of millions to the middle class. Our objective is to make the most of this opportunity with speed and precision, using our brand respect and recall.

Against the backdrop of either sluggish or fragile economic growth across large parts of the world, India shines as an outpost of opportunity and a harbour of hope. The country's GDP for FY 2016-17 touched 7.1%, and is expected to touch 8% with the implementation of GST. Another seminal reform during the year was the demonetisation initiative of the government. This was done with the avowed purpose of formalisation and digitisation of the economy.

As India turns digital, we must also enhance our digital presence, going forward. We will be able to reach more markets and customers through digital channels. Following the implementation of GST and more focus on formalisation of the economy, established brands like Greenply will get a level playing field vis-à-vis unorganised players.

GOODS AND SERVICES TAX (GST)

If we look at the plywood industry now, it is heavily taxed with overall taxes in the range of 25-30%, including taxes such as excise, VAT and Octroi. Most unorganised players evade taxes and sell their products through under-pricing vis-à-vis organised counterparts. The price differential can range up to 30-50%.

Many unorganised players also avail of the Small Scale Industry (SSI) benefit by keeping their turnover artificially below the prescribed limit. Under the new GST regime, the exemption limit is expected to be ₹ 2 million, which would bring all unorganised players within the tax ambit, forcing them to increase prices and narrow the price differential.

Moreover, currently there is no credit that a dealer can avail of for the excise duty paid, but under GST this will be allowed, reducing the price for both dealers and consumers by around 10%. Thus, the overall price differential between branded and unbranded plywood players is expected to fall by 10-20% under GST, thereby accelerating the shift from the unorganised to the organised segment.

ANTI-DUMPING DUTY

During 2016-17, the Government imposed anti-dumping duty of up to US$ 64.35/cbm on the import of MDF board on thick boards (with thickness of over 6 mm) from Vietnam and Indonesia. Today, around 70% of our capacity is based on the thick MDF board. The government decision will create a level playing field for us vis-à-vis foreign producers. Going forward, we hope to enhance our volumes further.

GROWING RELEVANCE OF MDF

MDF is the preferred choice of ready-made furniture manufacturers and the transition of the Indian wood furniture industry towards ready-made furniture will propel MDF's demand. Commercial property is another key demand driver as around 80% of MDF is used in this segment. The shift from cheap plywood to MDF will gain momentum once low-end/cheap plywood becomes costlier following the implementation of GST.

INVESTING IN THE FUTURE

We remain bullish on our core businesses. Hence, we are constantly focusing on growing our capacities across both our businesses. We are setting up our new state-of-the-art MDF plant in Chittoor, Andhra Pradesh. We are likely to commence operations in FY 2019. A significant part of the production from this plant will cater to export markets.

We also planning to set up a Decorative Veneer/ Decorative Plywood unit in Bamanbore, Gujarat (2.25 mn. sq. mts.) and a Plywood unit in Sandila, Uttar Pradesh (13.5 mn. sq. mts.).

QUALIFIED INSTITUTIONAL PLACEMENT (QIP)

During 2016-17, we raised ₹ 49.99 crore through issuance of equity shares under qualified institutional placement (QIP). The amount raised has been utilised for part funding of our new MDF unit in Andhra Pradesh.

ACHIEVERS AT GREENPLY

Greenply is geared for greater success and our teams are inspired to build a brand that New India can rely on. We will continue to invest in enhancing the skills of our people, so that we can continue to deliver products that are in line with international standards. We offer various employee engagement and coaching programmes to inform and motivate our people.

As responsible corporate citizens, we promote various community well-being programmes through the Greenply Foundation. The Foundation works in the realms of healthcare, education, vocational skill development among others.

We are committed to build a great company, which consistently grows in step with aspirational India, and I seek the support of all our stakeholders in this endeavour.

Warm regards,
S. P. MITTAL
Executive Chairman
(DIN: 00237242)

Operational Highlights

(QUARTER-ON-QUARTER FY 2016-17)

PLYWOOD

	Q1	Q2	Q3	Q4
Net sales (₹ Crore)	293.31	308.03	260.25	306.40
EBITDA Margin (%)	9.8	10.4	12.6	12.1
Production (million sqm.)	8.94	9.36	7.7	8.93
Sales Volume (million sqm.)	12.54	13.04	11.00	13.15
Utilisation (%)	111	116	95	110
Average Realisation (₹/sqm.)	231	233	233	231

MDF

	Q1	Q2	Q3	Q4
Net sales (₹ Crore)	119.59	123.61	95.85	137.69
EBITDA Margin (%)	30.2	28.7	20.3	27.9
Production (cubic meter)	47,478	49,067	41,673	50,954
Sales Volume (cubic meter)	45,802	47,860	37,764	53,479
Utilisation (%)	106	109	93	113
Average Realisation (₹/cum)	26,098	25,802	25,348	25,737

Management Q&A

We can see a larger opportunity landscape, unfolding before us as more aspirational consumers and consumption hubs are emerging beyond metros. Responding to these megatrends, we have launched multiple products for a wide consumer cross-section across many price points.

Q HOW WOULD YOU JUDGE YOUR COMPANY'S PERFORMANCE IN 2016-17?

A We are satisfied to report another successful year for Greenply. We reported a higher net sales of ₹ 1654.90 Crores in 2016-17, compared to ₹ 1645.73 Crores in 2015-16. Simultaneously, our EBIDTA increased to ₹ 257.60 Crores in 2016-17 against ₹ 250.50 Crores in 2015-16. Our net profit stood at ₹ 135.07 Crores in 2016-17 against ₹ 131.17 Crores in 2015-16 and our earnings per share stood at to ₹ 11.08 in 2016-17 compared to ₹ 10.87 in 2015-16.

We continued to consolidate our operations across both Plywood and MDF businesses. Our cost-efficient manufacturing and efficient supply chain management enabled us to keep our operational costs under control.

Our dealer network ensured our product availability to our customers, translating into efficient supply chain, focused customer service and short turnaround times for product delivery. Our sales and marketing team periodically reviews products, assesses market trends, and builds business relations.

Our gross debt equity ratio was 0.48 as on March 31, 2017.

Q HOW DID THE COMPANY'S PLYWOOD BUSINESS PERFORM DURING THE YEAR UNDER REVIEW?

A Our plywood and allied products sales grew by 0.2% from ₹ 1165.36 Crores in 2015-16 to ₹ 1167.99 Crores in 2016-17. Plywood's EBITDA margin from the division stood at 11.2% in 2016-17 (9.4% in 2015-16). The average capacity utilisation was at 108% in 2016-17 (101% in 2015-16). The average realisation reduced to ₹ 229 per square metre in 2016-17 from ₹ 239 per square metre in 2015-16 consequent to the end of excise exemption at the Pantnagar unit.

Face veneer is a critical component in plywood manufacturing. Face veneers (visible ends of the plywood) are extracted from hardwood trees which have had a lifecycle of more than 15 years, whereas core and panel veneers (embedded between face veneers) are extracted from hardwood trees which have had a life cycle of more than 7 years. While domestic plantation timber is good enough for producing core and panel veneers we are dependent on imports for face veneers. During 2016-17, we broad-based our supply bandwidth to minimise risks and ensure smooth availability of the raw material.

We are also setting up a veneer unit in Gabon, West Africa. Around 25-35%% of production will be used captively, and the rest will be sold in open markets.

We continued to strengthen our outsourcing model for our mid-segment variants, freeing up existing capacities for premium variants. Our teams monitor vendor's site to ensure quality of inputs and consistent quality of finished product.

We focus on elevating the point-of-sale experience of our plywood customers through enhanced in-shop branding and better dealer-retailer-salesman connect with customer as solution provider.

We can see a larger opportunity landscape unfolding before us as more aspirational consumers and consumption hubs are emerging beyond metros. Responding to socio-economic megatrends, we have launched multiple products for a large consumer cross-section across many price points.

Q HOW DID THE COMPANY'S MDF BUSINESS PERFORM DURING THE YEAR UNDER REVIEW?

A Our MDF division's sales growth was stagnant due to the impact of demonetisation in Q3 FY 2017. MDF's EBITDA margin stood at 27.1% in 2016-17. Average capacity utilisation stood at 105% in 2016-17 and average realisation stood at ₹ 25,764 per cubic metre in 2016-17.

During the year, we primarily focused on educating our key influencers (dealers and retailers among others) about the benefits of MDF. We also expanded our network base of dealers and retailers across semi-urban and rural markets. To stay connected with our influencers, we launched an android-based application. In addition, we offered health insurance for carpenters as incentives. This is a first-of-its-kind initiative in the domestic industry.

We focused on the low-end furniture segment (primarily uses cheap plywood) and convinced potential customers to shift to MDF for better and cost-effective output.

We witnessed growing consumption of MDF among commercial and furniture Original Equipment Manufacturers (OEM). Moreover, demand from government departments saw steady growth.

Our dedicated project team stayed connected to the fraternity of architects and decorators to promote our products.

We also focus on expand our product basket across both conventional and value-added products.

Q PLEASE WALK US THROUGH YOUR NEW BUSINESSES?

A We launched natural veneers and expect these products to improve the product mix. We have entered the wallcover segment through the outsourcing model and will leverage our distribution network to increase its share in overall revenue.

Q WHAT ARE YOUR FOCUS AREAS FOR THE FUTURE?

A Our key priorities comprise the following:

- Ensure timely completion of all expansion plans;
- Improve the mix of value-added products in both plywood and MDF;
- Strengthen market penetration, especially in rural markets for both plywood and MDF;
- Continued investments in increasing brand visibility across India;
- Increase the number of distributors and retailers;
- Optimise utilisation across existing facilities.

With regards,

Rajesh Mittal
Managing Director
(DIN: 00240900)

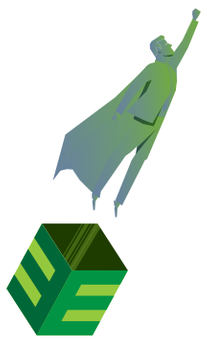
Shobhan Mittal
Joint Managing Director & CEO
(DIN: 00347517)

*E*E = Robust Value Creation Model*



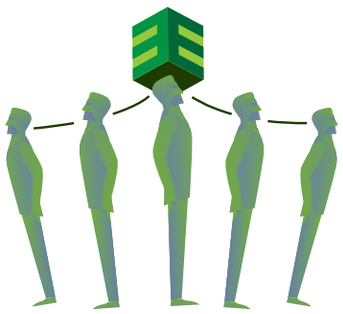
UNDERSTANDING CONSUMER ASPIRATIONS

The Indian consumer is now more integrated with the world. Interestingly, semi-urban and rural consumers are also evolving towards a broader notion of value, which involves durability, quality aesthetics, and additional features. In such a scenario, we are putting more emphasis on creating a strong portfolio of brands to gain market share from the unorganised segment.



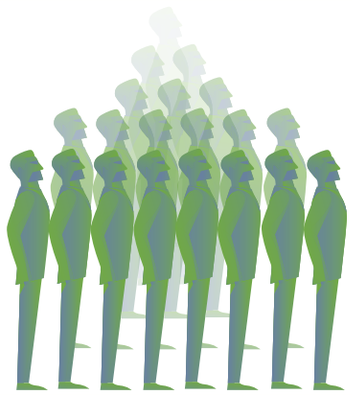
CUTTING-EDGE INNOVATION AND PRODUCT LAUNCHES

We are leveraging advanced technology to ensure best-in-class product quality. Our new products across segments represent the outcome of consistent innovation.



CONTRIBUTING TO COMMUNITY WELL-BEING

We focus on healthcare, vocational skill development and education among others. We are encouraging more farmers to adopt plantation activities under our supervision to create a win-win for all.



INVESTING IN TALENT FOR COMPETITIVE ADVANTAGE

We are attracting and retaining best industry talent. Our HR strategies align the need for commercial success with the longer-term ambition of achieving sustainable best practices.

CREATING SUSTAINABLE VALUE

Expanding capacity

Strengthening backward integration

Growing our plywood brands

Enhancing our MDF market reach

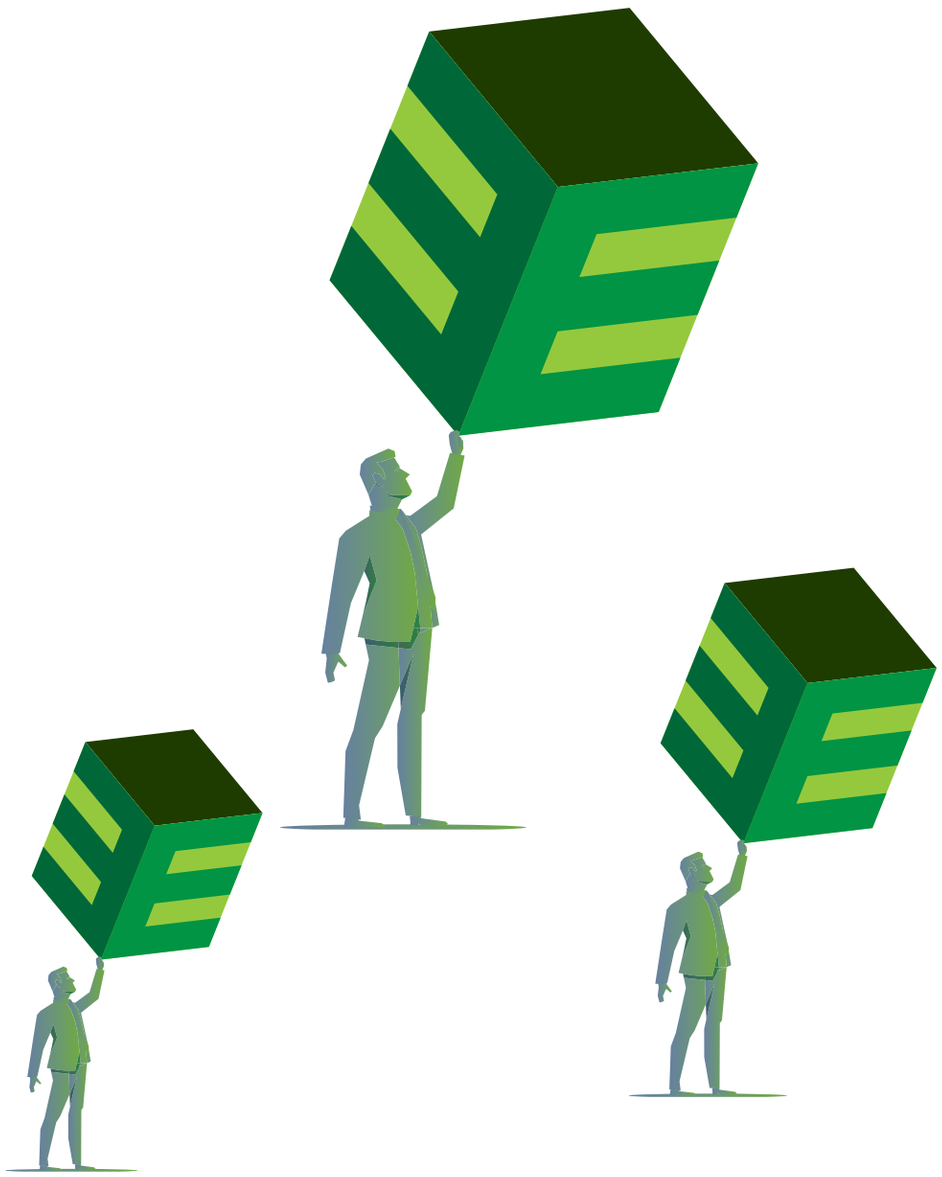
Enriching our talent pool

Advancing community aspirations



E*E =

Stronger and Sustainable Greenply



We sharpen our expertise. We act with speed. We insist on being more. Than what we are today.

We are working on strategies that will strengthen our capability to create value. For all those who have a stake in our progress.

Capacity Expansion

We map the huge untapped demand across India's Tier 2 and Tier 3 cities and towns and equip ourselves adequately to address it with speed.

We are setting up a state-of-the-art greenfield MDF plant at Chittoor, Andhra Pradesh with an installed capacity to produce 3.6 lakh cubic metre annually. Total capex for this project will be around ₹ 730 crore, of which ₹ 450 crore will come from external borrowings, ₹ 50 crore from the issue of equity; and the balance ₹ 230 crore from internal accruals. It is expected to commence commercial production by September/ October 2018.

We aim to export 30-40% of the MDF manufactured in the new plant till the domestic market is ready for absorbing the incremental capacity. Currently, we are exporting to the Middle East and countries like Bangladesh, Sri Lanka and Singapore to create a good export market.

Following the commissioning of the new AP plant, the Company may stop exporting from the Uttarakhand plant as currently it pays 16% freight cost from Uttarakhand to Mumbai. It will reduce to 6% from the new MDF plant.

NEW PLANT AT GUJARAT

We are setting- up a new unit adjacent to the existing plant in Bamanbore, Gujarat, for the manufacture of decorative veneer/decorative plywood.

NEW PLANT AT UTTAR PRADESH

We plan to set up a new manufacturing unit in Uttar Pradesh for plywood and allied products. The new unit will come up in Sandila Industrial Area, Sandila, Hardoi district, Uttar Pradesh.



We continue to focus on capacity expansion and utilisation to cater to the growing market size.

Backward Integration

We are broad-basing our raw material sources to minimise the risk profile of our business. We believe our integration strategy needs to be consistently refined and recalibrated in line with changing business realities.

SETTING UP VENEER UNIT AT GABON IN WEST AFRICA

We are setting up a veneer, manufacturing unit at Nkok SEZ, Gabon, West Africa. For this purpose, we have set up a wholly-owned subsidiary in Dubai and a step-down subsidiary in Gabon.

In the first phase, we are investing around ₹ 100 crore to commission a veneer unit, which would help in securing future supply of veneer for our operations. We plan to commence commercial production by the middle of 2017.

WHY GABON?

Gabon, an equatorial country in West Central Africa, is spread over 267,667 square kilometre, of which 85% is rain forest with 400 species of woods. Nkok SEZ, a public private partnership project between Olam International Ltd. (Singapore) and Gabonese Republic, aims at developing a 1,126 hectare multi-products industrial park with 550 Hectare already developed. The SEZ also has a furniture manufacturing cluster in it.



Encouraging Plantations

We are encouraging plantations in marginal and degraded farmlands near our manufacturing sites. It is helping us to empower marginal farmers and maintain the ecological balance of the environment around our facilities.

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

However, wood being renewable resource, provides wide-ranging benefits to environment and society, such as:

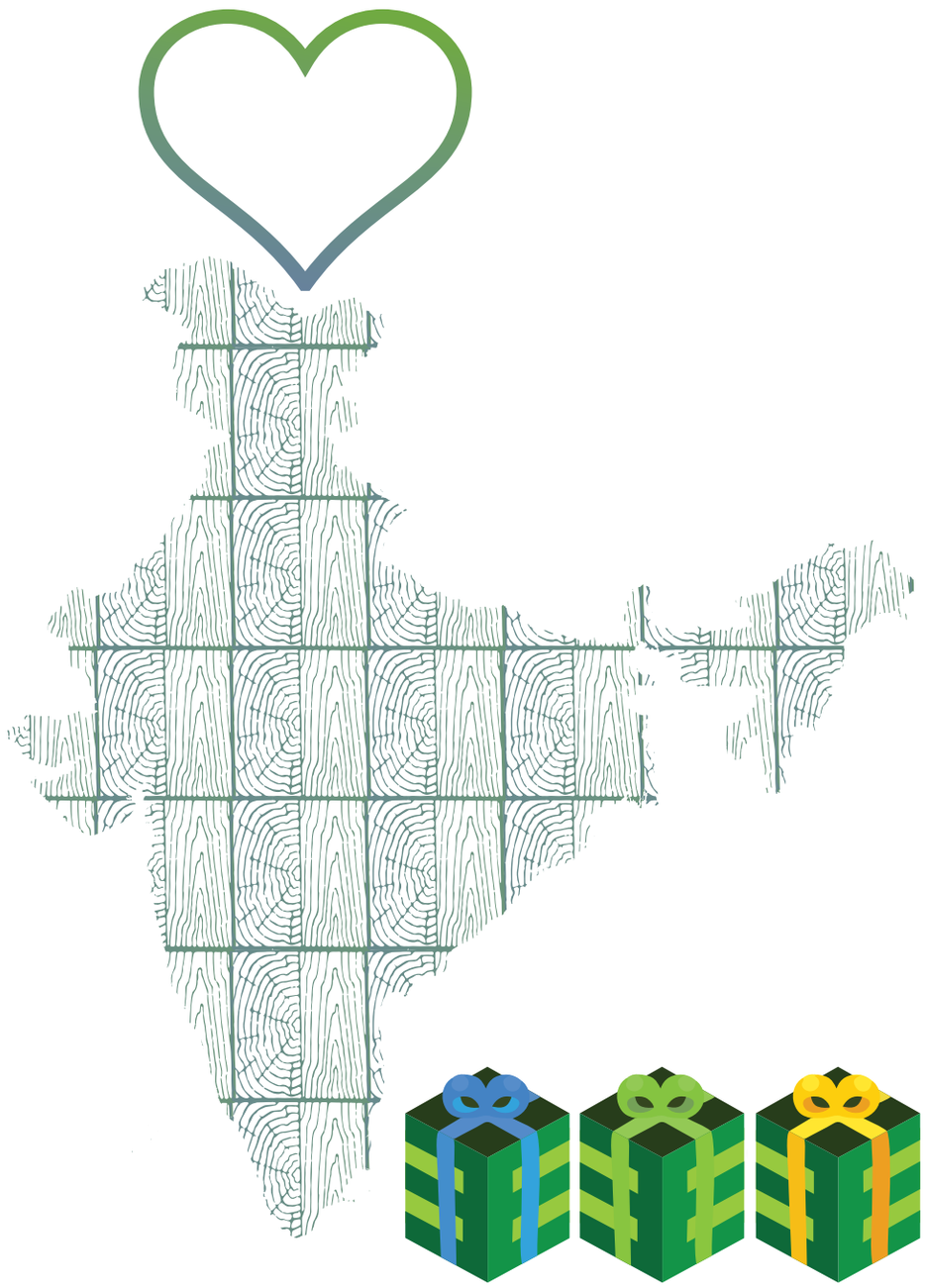
- Capable of creating a huge carbon sink
- Reduced the burden on natural forests
- Help the nation to achieve its plantation coverage up to 33%
- Ameliorates the environment
- Tackles climate changes
- Help in maintaining eco balance of the area
- Provides a socio-economic upliftment to the local inhabitants

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



E*E =

India's Beloved Brand



We view potential markets through the prism of our rich experience and expertise. We deploy both digital and conventional marketing strategies. To win beyond traditional terrains.

Our strategy is to engage and educate potential customers, business partners and influencers through innovative, effective and rewarding ways. We will continue to enhance our investments to take our brand to new heights.

Growing our Plywood Brands

We are taking multiple initiatives across platforms to emerge as one of the most trusted plywood brands in India.



DIGITAL FOOTPRINT

We have built an extensive digital media platform to reach out, inform and engage with more customers.

E-Commerce

The website greenplyplywood.com was set up as a knowledge base to disseminate plywood related information to our consumers.

Microsite

The 'Ask Greenply' microsite was created to be a dedicated resource that consumers can use to make better plywood related decisions. We saw a significant rise in visitors in 2016-17. Moreover, we continued airing our three Ask Greenply TVCs across channels and movie screens. These TVCs helped us gain considerable visibility. Connected more than 50,000 consumers on this platform.

Mobile App

We created a mobile application, so our consumers could reach us on the go.

Social Media

We made ourselves available on social media; Google+, Facebook, Twitter, Instagram and even WhatsApp.

RETAIL BRANDING

- Enhanced branch-wise signage to grow our brand visibility
- Increased in-shop branding to grab maximum eye share
- Rolled out wall paintings across key markets to grow our brand prominence
- Enhanced OOH and transit media usage across key markets through billboards, bus branding, tram branding, pole kiosks and cut outs, among others

2,500+
Signage

1,400+
In-shop branding

6 lakh sq. ft.
Wall paintings

LOYALTY PROGRAMMES

Our success in the plywood industry hasn't just been the outcome of our efforts alone. We have always had the support of our partners: the influencers, the fabricators, and our trade partners. To show our gratitude for their contribution to Greenply, we've designed loyalty programmes.

GREEN ACCESS

For the architects and interior designers, who influence the sales of our products, we have the Green Access programme. Green access provides architects and interior designers with an opportunity to reap the benefits of their association with Greenply, through a point based reward system. This platform has been designed to map every possible opportunity in the market. It also enables us to track complete project lifecycle of engagement starting from lead to specification and finally sales. Today, we have over 5,000 registered architects across India under this programme.

GREEN SAMRIDDHI

For the carpenters and contractors who work with our products and mould them into beautiful furniture, we have created Green Samriddhi programme. Once a carpenter or contractor registers with the programme, they can accumulate points for their sales of Greenply products. These points can then be used to acquire special prizes from a catalogue designed especially for them. Today, we have over 10,000 registered carpenters across India under this programme.

GREEN BANDHAN

The dealers and retailers, who have partnered with Greenply, can be part of Green Bandhan programme. Once registered with the programme, our trade partners can log their sales details with the Greenply Sales Team and redeem points, which can then be spent on a catalogue of exciting prizes. We have over 6,000 registered retailers across India under this programme.

Indian Premier League (IPL) association

We associated with IPL franchise Kolkata Knight Riders (KKR) as one of their sponsors. We hope this association will give our brand more traction.

DEALER BONDING

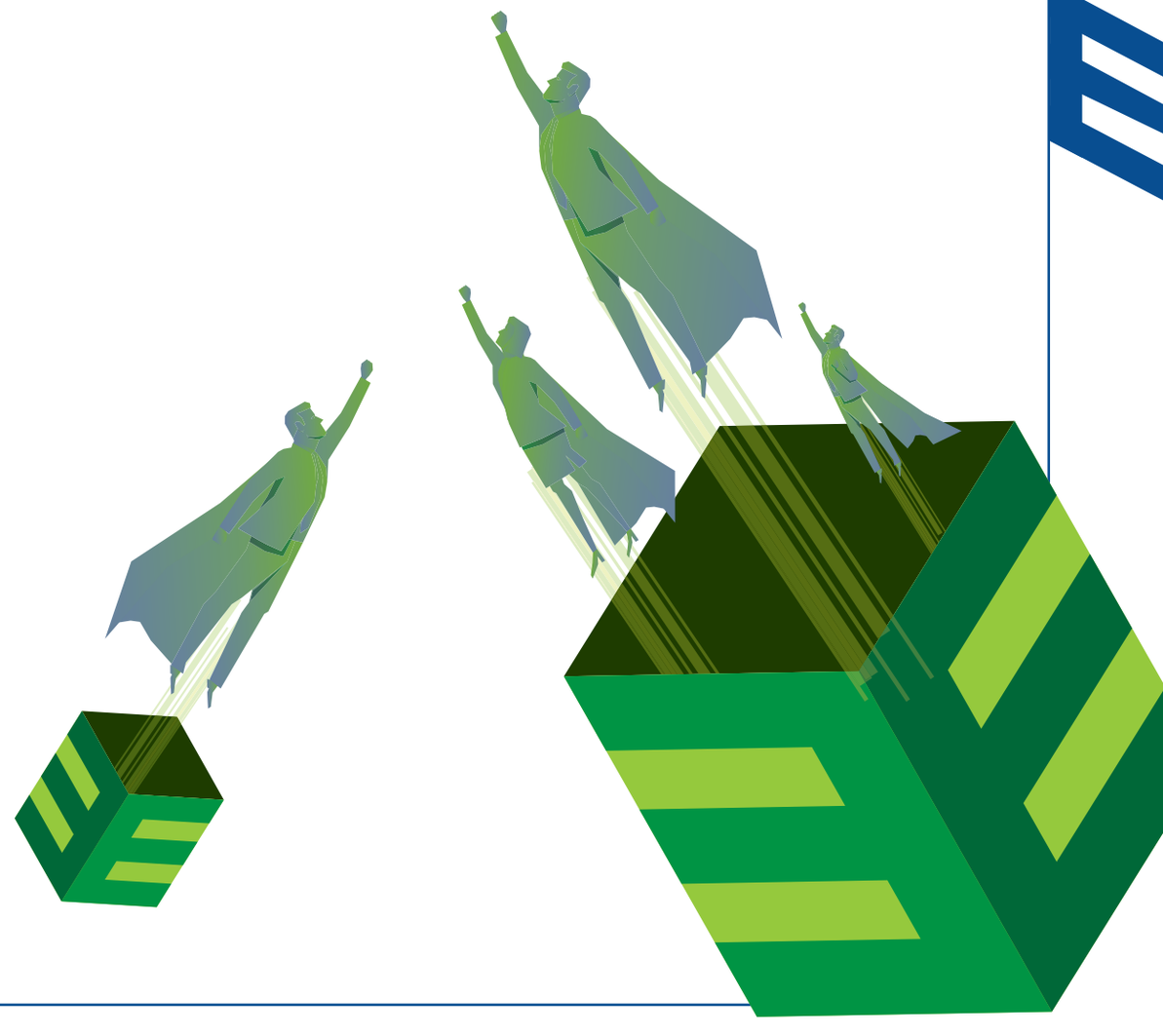
We've fostered some very important, mutually rewarding, long-term relationships with some of our partners. We created the Green ACE clubs to thank them for their support and contribution to our success. The ACE clubs are four exclusive clubs designed specifically to recognise and reward our growing network of dealers and to attract new partners.

ROAD AHEAD

We intend to significantly scale up our various loyalty programmes and add new incentives to make them more attractive for our partners. We will continue to reinforce our brand prominence, and introduce new ATL campaigns for better brand recall.

Enhancing our MDF Market Reach

We believe MDF has significant market potential that needs to be unlocked. The good news is that many consumers are realising that it makes better sense to shift from low-end plywood products to MDF, owing to the superior quality and durability of MDF.

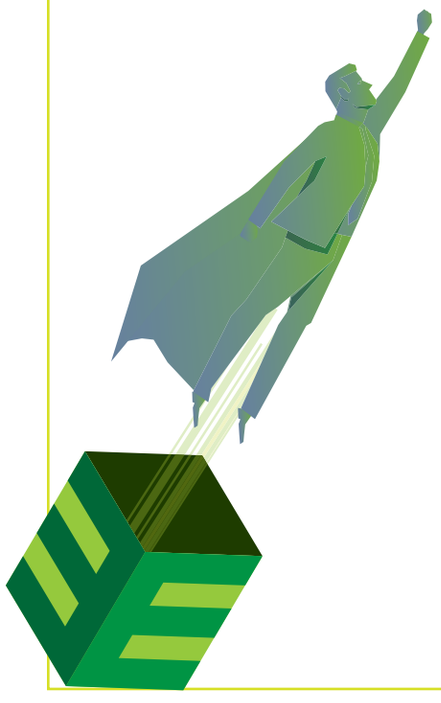


BRAND VISIBILITY

We are focusing on Below the Line (BTL) brand activities to garner eyeballs with signage's and in-shop displays at outlets. Our focus has been on educating the target group in the untapped markets of Tier II and Tier III cities.

In addition, we create a lot of positive brand vibes with international and domestic exhibitions. These result in brand awareness, positive word-of-mouth, sales leads and print publicity. Besides, our strong digital presence allows our brands to attract the right following on relevant social media platforms.

In addition, we have put in place a Standard Operating Procedure (SOP) for our Carpenter Meets & Installer meets. This ensures consistency in the format and execution of these brand awareness programmes. The objective is to provide the participants content in a structured manner.



FOR GREEN PANELMAX MDF BOARD

We endeavour to consistently educate consumers and influencers (carpenters, architects, and interior designers) about MDF. We followed the E.I.D.A. strategy – Educate-Inform-Demonstrate- Action – to explain the superior product attributes of MDF; and its possible applications. We have a structured education campaign for this purpose with educative materials like posters, catalogues and leaflets.

Besides, we do product demonstrations in furniture markets and support the campaign with relevant in-shop collaterals like danglers and buntings, among others. Besides, we use direct mailers to reach original equipment manufacturers (OEM) and institutional buyers.

FOR GREEN FLOORMAX FLOORING

Green Floormax Flooring has been positioned as a consumer-centric lifestyle brand. Thus, we applied the A.I.D.A strategy - Awareness-Interest-Desire-Action – to reach out to potential consumers. To enhance brand visibility, we did a campaign during Diwali at retail outlets, that normally witness high footfalls. We installed arch gates, danglers, posters at popular retail outlets across the country.

We display our entire range of flooring in select retail outlets. This provides an immersive experience to the target audience. Besides, the display is supported by brand merchandise for instant brand recall. We have also placed Wood Veneer Flooring as a premium product and market it accordingly.

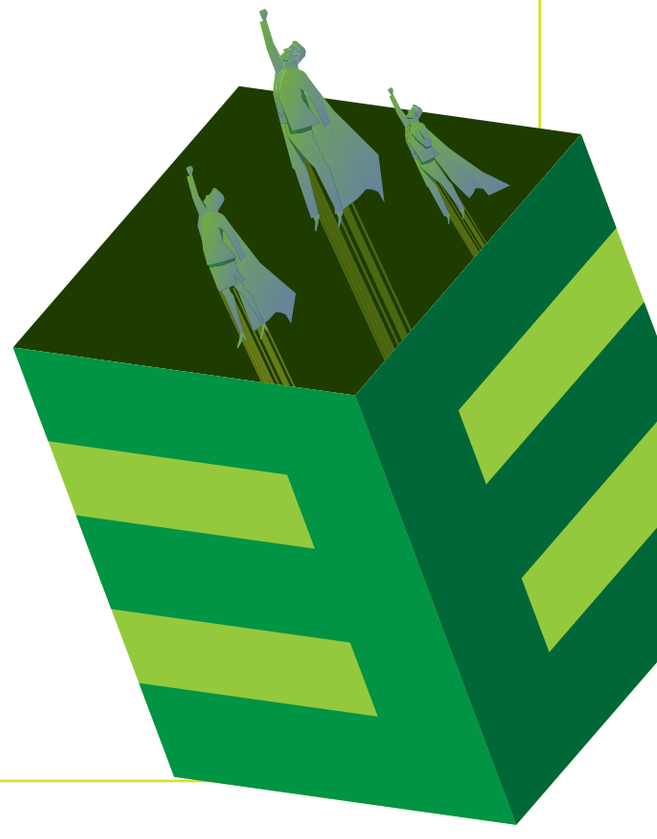
CUSTOMER OUTREACH

Our customer outreach strategy is based on driving BTL activities aggressively to create visibility and buzz for the brands in the market. Our mass marketing strategy involves chartering new geographies, with the approach to educate consumers, and supplement the efforts by installing in-shop displays and signages, for both brands. In addition, we employed direct marketing activities to reach architects and interior designers; and used different strategies to strike a emotional chord with different communities of our dealers.

Our range of sampling and display merchandise for the brands played a major role in growing our brand visibility. Participating in various exhibitions and using the digital world intelligently, we have generated a lot of buzz. The campaign (Our floors can handle it) received great response, as we could generate a lot of buzz around it.

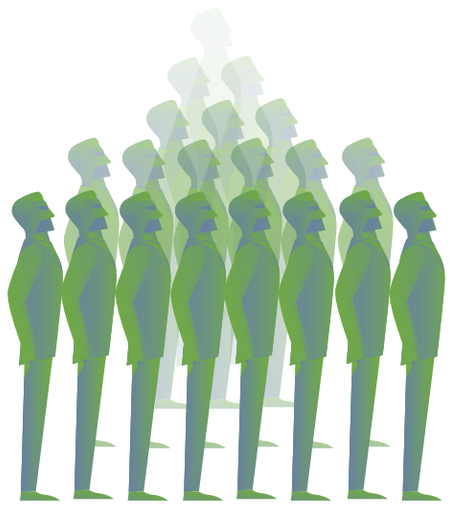
ROAD AHEAD

We will continue to focus on direct marketing to influencers - carpenters, contractors, architects and builders. Moreover, we will direct our efforts towards creating more visibility and impact on social media.



Simple. Transparent. Agile.

Yes, this is our Culture Compass and our HR policies are aligned to this credo. We are adopting training modules and methodologies that balance the aspirations of our people with the larger organisational objectives.



People practices

PLYWOOD DIVISION

Recruitment

We reinforced our employee referral programme 'Sampark', enabling us to reduce our recruitment cost and enhance efficiency and reliability.

Employee Training

- Conducted Green Mantra from time to time.
- Conducted 'Erudition' programme, an annual knowledge transmission programme across regions.

Employee engagement and motivation

- Established a transparent appraisal mechanism provide clarity and satisfaction to employees.
- Booked movie halls for employees and their families for watching blockbusters.
- Celebrated occasions such as Diwali, Family Day and Women's day.
- Celebrated Fun Friday every alternate Friday.
- Implemented nine box matrix for appraisals capturing the competencies apart from performance, ensuring a structured career growth for employees.
- Rolled out an HR helpdesk to resolve HR issues across the division, driving employee satisfaction and motivation through grievance redressal.

Road ahead

- Roll out aggressive training plans for employee development.
- Simplify the employee on boarding process.
- Initiate a mentor-mentee programme to train and equip mentee on the business operations.
- Roll out an employee engagement survey.

MDF DIVISION

Recruitment

At Greenply, we ensure hiring the right talent for the right role.

Training and development

We focus on continuous advancement in the skillset and career growth of our employees. In FY 2016-17, we conducted multiple trainings like:

- Induction programmes for new recruits.
- Behavioural trainings on soft skill development and relationship building.
- Sales training to executives.

Employee engagement

We conduct various employee engagement initiatives for better employee connect:

- Published 'Green Bulletin' on monthly basis where employees share their achievements.
- Facilitated medical camps for employee well-being.
- Conducted various Wellness activities like workshop on Stress Management, Yoga, Workshop on Self-Defence for women.
- Celebrated International Womens' Day.
- Organised Quiz competition on the eve of Republic Day / Independence Day.
- Organised Camp of Aadhar Card within the premises so that employees can get enrolled.
- Organised one year free subscription of daily newspaper 'Indian Express' for senior leadership team.
- Introduced informal interaction sessions over lunch on 2nd and 4th Friday of a month.

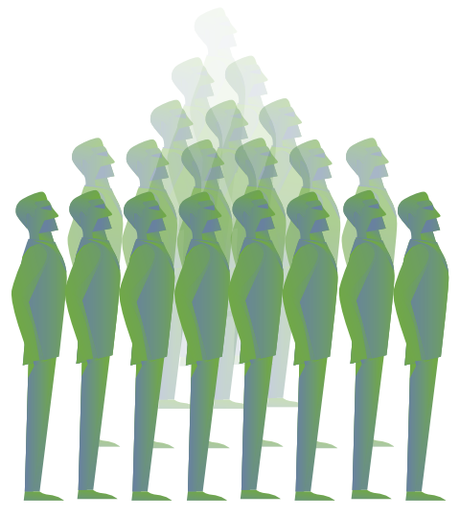
EMPLOYEE MOTIVATION

We understand the strong correlation between employee motivation and performance. In FY 2016-17, we took multiple initiatives for employee motivation:

- Recognised and awarded the best performer.
- Organised team-building initiatives to encourage individuals to work as a team efficiently.
- Created diversified growth opportunities for employees.

ROAD AHEAD

- Enhance the role of technology across human resource function.
- Introduce new employee motivation programmes.
- Develop clear understanding of HR policies among people.
- Equip managers with tools, resources, and a policy framework to facilitate an effective operating environment.
- Review of HR policies and recruitment methodology.



Management Discussion and Analysis



7.1%
Indian economy clocked a GDP of 7.1% in 2016-17

INDIAN ECONOMY

In an environment of restrained global economic growth, the Indian economy clocked a GDP of 7.1% in 2016-17. The domestic economy has sustained a macroeconomic environment of relatively lower inflation, fiscal discipline and a moderate current account deficit coupled with a broadly stable rupee dollar exchange rate.

In FY 2016-17, the Government announced India's biggest economic reform by demonetising the high denomination currency notes. The strategy was aimed towards restricting corruption, counterfeiting, terrorist activities and accumulation of black money. Moreover, demonetisation quickened digitisation and formalisation of the Indian economy. Further, it intensified the flow of financial savings into the banking system. Eventually, demonetisation is likely to have significant positive influence on financial habits of Indians. In the long run, it is predicted that demonetisation will lead India to higher GDP growth, better tax compliances and larger tax revenues by reducing corruption.

The Goods and Services Tax (GST) bill is to come into effect by July 2017. GST is expected to bolster the economy with a simplified indirect tax system, and more competitive and transparent markets. Moreover, it will consolidate the fragmented Indian market under uniform taxation, widening the tax net. GST is expected to contribute significantly to India's GDP, going forward.

India's GDP is likely to reach 7.4% in FY 2017-18, as a result of rebound in consumption demand, which had slackened post-demonetisation. A normal monsoon is expected to strengthen agricultural incomes stimulating rural consumption. Likewise, softer interest rates driven by RBI will encourage overall demand in the market. These are expected to culminate into a benign inflation supported by on-going remonetisation and past policy reforms.

INDIAN FURNITURE INDUSTRY

The Indian furniture industry is one of the fastest growing markets in the world. Steady growth of the Indian economy, a booming realty and hospitality sector, an increased spending power coupled with lifestyle changes have fuelled the industry. The Indian furniture market is characterised by numerous small players, accounting for nearly 80% of the domestic production.

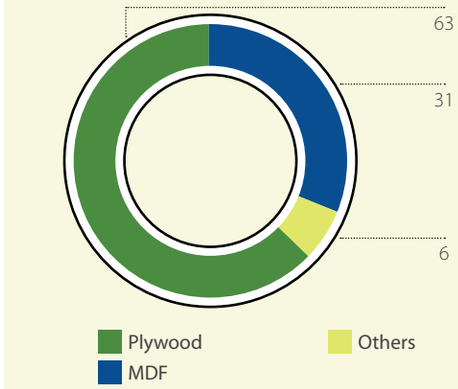
However, with the growing popularity of online furniture buying, the industry is likely to witness consolidation. E-tailing furniture has increased options for consumers and opened a range of opportunities for small players to sell their products. Moreover, e-tailing furniture will let more small players enter the organised furniture market.

The furniture market is primarily concentrated in the metropolitan cities, followed by Tier I and Tier II cities with major user segments being residential, office, commercial and institutional.

India's wood panel industry

India's plywood and panel industry is extremely fragmented and unorganised given the low technical and capital requirements. The overall industry is estimated to be ₹ 285 bn in FY16. The market is primarily driven by higher disposable incomes, rising urbanisation and the thriving real estate sector, particularly in Tier II and Tier III cities. Further, a shift from unbranded to branded products and the fast-growing replacement market are helping the industry to expand.

India plywood and panel industry break-up %



Source: IDFC Securities Research

Key characteristics of Plywood and MDF

	Plywood	MDF
Manufacturing process	Thin sheets of veneer glued together	Hardwood and softwood residuals are broken down into wood fibres, which are combined using resin and heat press
Strength	Highest	Medium
Pricing	Costlier	50% cheaper than premium plywood
Weight	Heaviest	Weighs 10-15% more than particle board
Moisture resistance	Less susceptible to water damage	Laminated MDF is resistant to water
Moulding capability	Difficult to cut, cannot be moulded easily	Can be moulded, machined and painted, easily

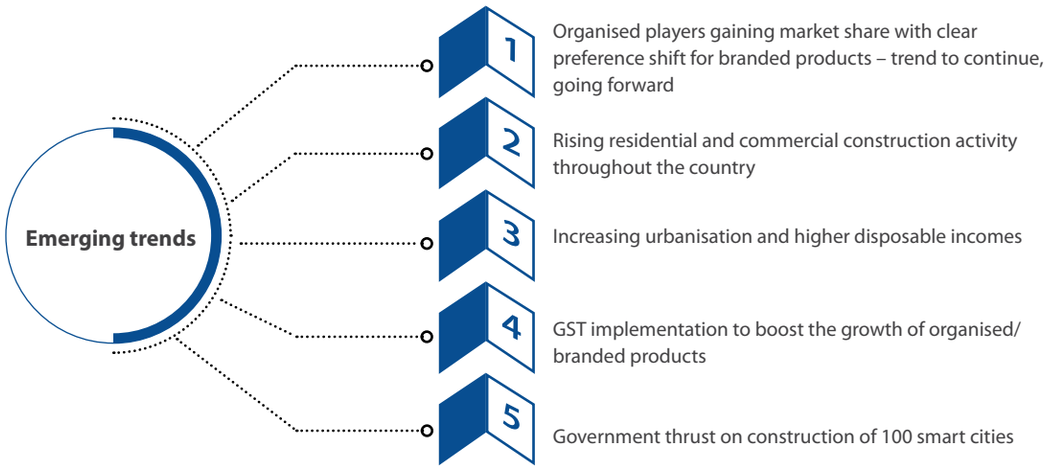
Source: IDFC Securities Research

80%
The Indian furniture market is characterised by numerous small players, accounting for nearly 80% of the domestic production.

GST is expected to bolster the economy with a simplified indirect tax system, and more competitive and transparent markets.

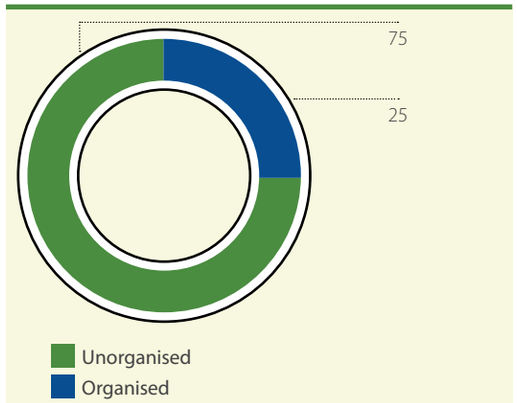
Management Discussion and Analysis (Contd.)

Plywood



Plywood constitutes almost ₹ 180 bn or ~63% of the entire industry. Organised players account for only 25% of the plywood segment. Low organised penetration offers multi-year growth opportunities as consumers become more brand conscious with rising disposable incomes and aspiration levels. GST would further narrow the price between organised and unorganised players.

Plywood industry is highly unorganised %



Source: IDFC Securities Research

Over the last five years, the plywood industry has posted a CAGR of 6-7%; whereas the organised players have grown at above 12%, clearly gaining share from the unorganised players. This is expected to continue as:

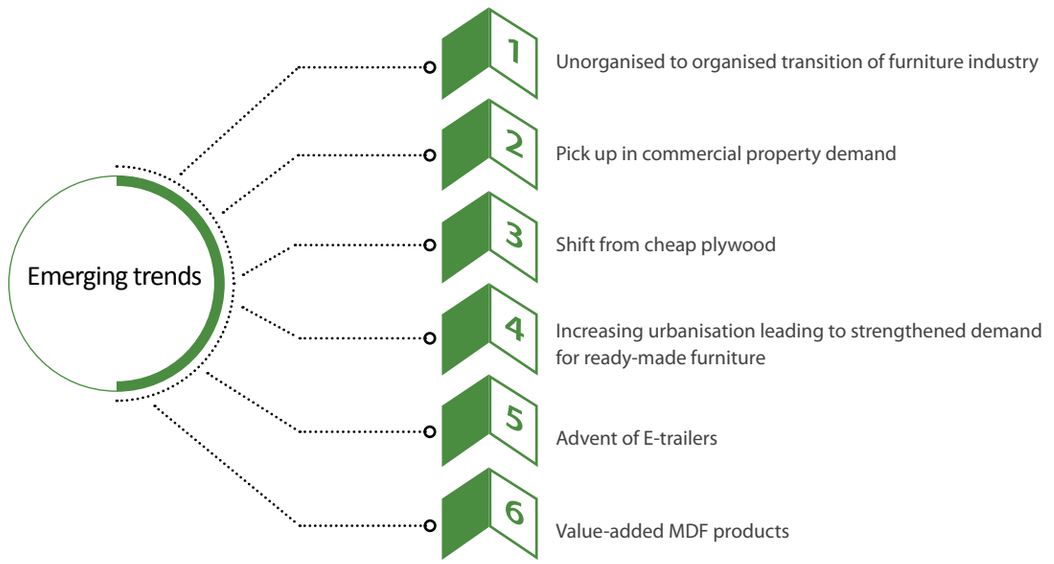
- Organised players continue to invest in brand building (2.5-3% of revenue) and creating awareness about quality
- Organised players have volume and supply chain advantages
- Organised players offer product innovation, wider choice and warranty
- Price differential between organised and unorganised players will drop substantially when GST is implemented, thereby inducing customers to buy branded products at a slight premium
- GST would ease the movement of goods for the organised players (as they comply with all inter-state regulations) and 'reach time' to markets would improve considerably



Snapshot of the Indian plywood industry

Segment	Details	Comments
Luxury/ premium plywood	• **Price (₹/sqft)**: 100-140 • **Share of plywood Market**: 20% • **Organised: Unorganised mix**: 70:30 • **Last 5 years CAGR**: 12%	• Greenply offers a comprehensive range under Greenply, Green Club and Green Club Plus brands • Greenply possesses a significant market share • Increasing quality consciousness, higher brand recall, increasing aspirations and GST implementation are key demand drivers in this segment
Medium/ mass plywood	• **Price (₹/sqft)**: 65-85 • **Share of plywood Market**: 50% • **Organised: Unorganised mix**: 15:85 • **Last 5 years CAGR**: 5-7%	• Greenply offers a comprehensive range under Ecotec brand • Tier I brands have been growing faster than the rest of the market throughout the last five years • Shift from unbranded to branded players playing out with increase in quality consciousness • Organised players are outsourcing heavily to capture this large opportunity; this is ROCE accretive
Low-end Plywood	• **Price (₹/sqft)**: 45-65 • **Share of plywood Market**: 30% • **Organised: Unorganised mix**: 0:100 • **Last 5 years CAGR**: Flat/degrowth	• Unorganised players control this segment entirely • Segment has not grown in the past five years due to shift from low-cost ply to MDF as price differential continues to fall • GST could increase the price of low-cost plywood (as tax compliance might increase its price), and this will further adoption of MDF

Medium Density Fibreboard (MDF)



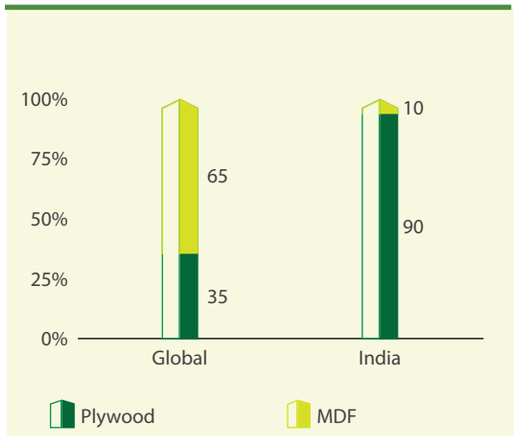
Management Discussion and Analysis (Contd.)



MDF is currently the smallest segment of the Indian plywood and panel industry with FY16 revenues of ₹ 16 bn or 6% of the overall market. MDF is made by breaking down hardwood and softwood residuals into wood fibres; wood fibres are combined using resin and heat pressing them.

Globally, the 'MDF: Plywood' consumption ratio is 65:35, whereas in India it is skewed in favour of plywood at 10:90. Given MDF's low cost (almost ~50% cheaper than premium plywood) and better utility (can be easily moulded, painted and machined), its consumption continues to increase in India, offering tremendous opportunities to organised players to ramp up capacity and capture this growing market.

India very low in terms of MDF consumption %



MDF fast catching-up

As MDF is the preferred choice of ready-made furniture manufacturers, its demand is slated to grow with a rise in demand for ready-made furniture. Moreover, as the Indian furniture industry evolves from an unorganised market to an organised one, it is driving the market for ready-made furniture.

Given MDF's low cost (almost ~50% cheaper than premium plywood) and better utility (can be easily moulded, painted and machined), its consumption continues to rise in India and offers good opportunities to organised players to ramp up capacity and capture this growing market. India's MDF capacity is expected to double over the next three years to 1.06 m cbm.

South India remains the largest consumer of MDF, accounting for 45% of India's MDF consumption, followed by the North with 30%. As MDF is a bulky product, transportation costs are high. Hence, Greenply is building a MDF plant in the South to reach this market effectively. Currently, 35% of India's MDF requirement is imported; however, as India's MDF capacity doubles by FY20E, we expect the share of imports to drop to ~15%.

GROWTH DRIVERS- OPPORTUNITIES

Rising urbanisation: India is now urbanising faster than the global average. Disposable incomes and penetration of retail finance are higher in urban areas. Hence, the increase in urbanisation coupled with the growing number of nuclear families is a key driver of plywood and panel products demand.

Improving affordability: Over the past decade, increase in real estate prices (cost of ownership of a house) has far outstripped rise in retail prices of plywood. Thus, the cost of plywood or MDF is now less than 1% the cost of a house, compared with 2-3% a decade ago, making them more affordable.

Increase in replacement demand: Replacement cycles are shortening given better income levels, availability of better designs and innovative products, coupled with rising aspirations levels. Currently, almost 15-16% of overall plywood demand in India is replacement demand, which is much lower than the 35-40% in developed countries. We expect replacement demand to contribute ~20% of overall demand by FY2020, for plywood.

Government initiatives: The government's flagship programs such as the Swachh Bharat Abhiyan, Housing for All, Smart Cities, will help accelerate demand for building materials in general. Other key government initiatives such as the real estate bill – Real Estate (Regulation and Development Act - RERA, relaxing foreign direct investments (FDI) in the sector, and easing affordable housing financing will strengthen demand for home infrastructure materials. These, in turn, will intensify demand for plywood and MDF.

Rising disposable incomes and young population: The median age of India's population is estimated to be 28 years, making it one of the youngest populations in the world. In addition, India's disposable income has posted a CAGR of 12% over the past three decades. These augurs well for the plywood and MDF industry as this age group generally has higher aspirations levels and disposable incomes. This should help stimulate home improvement (plywood and MDF) demand.

Growth in real estate to revive: Demand for both plywood and MDF products are a derivate of real estate demand which continues to be lacklustre, currently. However, increasing trend of nuclear families, improving income tables and falling age of first-time home buyers are likely to have a positive effect in the real-estate sector. Moreover, Government initiatives such as RERA and others which have led to lower interest rate scenario and sustained commercial demand should improve the medium-term outlook of the realty industry. This, in turn, will improve the medium-to-long-term future of India's home improvement industry.

Rising popularity of online furniture market: The online Indian furniture industry space is evolving fast. Superior personalisation, consultation services and faster delivery time is driving growth for furniture e-tailers.

WORLD OF GREENPLY

Greenply is one of India's most trusted premier interior infrastructure brands. We reach a diverse consumer base through a wide array of products. Greenply delivers products under various brand names like Greenply Plywood, Optima G, Ecotec etc. Green Panelmax and Green Floormax, among others. Backed by our expertise in supplying high-quality products, we provide both surface finish and foundation, and structural products for homes, offices and retail establishments.

We have a robust pan-India presence across urban and rural markets. We are reaching out to a wide cross-section of customers through more than 10,000 distributors, stockists, dealers and retailers. We have five state-of-the-art manufacturing facilities across the country, manufacturing global-standard products.

Our extensive experience in interior infrastructure projects and overwhelming growth in real estate sector such as residential, commercial and retail has enabled us to gain a competitive advantage in the market.

10,000+
Distributors, stockists, dealers and retailers

Management Discussion and Analysis (Contd.)



BUSINESS SEGMENT REVIEW

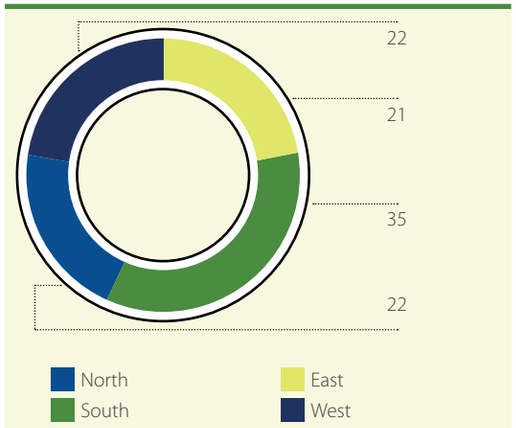
Plywood and Allied Products

Greenply has four high-tech production facilities in Gujarat, Uttarakhand, Nagaland and West Bengal. Greenply's plywood is made from the finest A+ grade timber and undergoes a stringent five-step process, making it termite and borer-resistant. Our products meet quality standards such as CE, FSC (COC), IGBC and BIS.

We are the first company in India to introduce a lifetime guarantee in our premium product segment - Green Club and Green Club Plus Plywood. The products are eco-friendly and emission free (emits less Formaldehyde as per E1 Formaldehyde Emission level). Moreover, non-toxic organic chemicals are used for glue line protection. In addition, we have introduced the fire-retardant plywood.

We market Green Flexiply, Green Fire Retardant Plywood (Green Defender), Green Marine Grade Plywood, Green Gold (BWP) Plywood and Block Board, Green Film Faced Shuttering plywood, Green Absolute, Greenply MR Grade Plywood and Block Board, Ecotec Plywood and Block boards and Optima G Plywood and Block boards. Our Green Compreg range of products, is suitable for construction, railway, automobile and other specialised applications.

Regional plywood mix %



Distribution reach (Plywood)

1,656
Distributors/ Stockists/Dealers

3,042
Retailers

24
Branches

Business segment achievements, 2016-17

₹1,167.99 crore
Revenues

₹130.73 crore
EBIDTA

₹87.59 crore
Profit before tax

70.58%
Contribution to total revenue

32.4 mn sq. metres
Cumulative installed plywood manufacturing capacity

Competitive advantages

- Prominent brand name in plywood and allied products industry
- Diversified product mix across all price points
- Strategic locations of production facilities catering to pan-India demand
- Asset light model (70% in-house - 30% outsourced) generating higher returns on capital employed
- 360-degree marketing initiatives targeted at trade and end-consumers through various ATL / BTL activities to create brand visibility and recall

Operational review 2016-17

- Production increased from 32.60 mn sq. mtr in 2015-16 to 34.93 mn sq. mtr in 2016-17
- Sales grew from 48.25 mn sq. mtr in 2015-16 to 50.30 mn sq. mtr in 2016-17
- Average realisation fell from ₹ 239 per sq. mtr in 2015-16 to ₹ 229 per sq. mtr in 2016-17 consequent to end of excise exemption at the Pantnagar unit
- Average capacity utilisation at the plywood manufacturing units enhanced from 101% in 2015-16 to 108% in 2016-17
- Commissioning a plant in Gabon, West Africa for veneer
- Launched Green Defender: Green Defender plywood protects spaces against fiery threats. Commonly used for woodwork in kitchens, it can also be used in offices, or anywhere else to reduce the risk and spread of fire
- Expanded our Optima G product range across various price points and features
- Expanded our Compreg plywood range across shuttering and insulation applications
- Expanded our Ecotec product range across various price points and features

Management Discussion and Analysis (Contd.)

Robust outlook

The thriving Indian Economy is going to place more demand on the plywood and allied products segment. Realty, retails, hospitality and healthcare sectors will drive this demand. Increased per capita income and rapid urbanisation will inspire better living, setting a healthy pace for furniture renovation and replacement market.

We will focus on engaging more with architects and interior decorators and enhance relationship with channel partners to grow business volumes.

Green Doors

Green Doors are a brand of premium quality borer-resistant doors from Greenply. These are manufactured using a mechanised process to offer uniform thickness without undulation and warping, along with a smooth surface for laminations. Green Doors deliver dimensional accuracy, stability in varying humidity and a high screw holding capacity. It is resistant to high shocks and bending.

Operational review 2016-17

- Green Doors are designed to reach customers as per their specifications. Available in various variants, the product is making a steady progress into the hearts of the users
- These are helping realty firms save on development costs and time with its customised sizes
- Significant investments are being made to strengthen team for growth. The company expects to increase the brand's visibility in Tier I cities, followed by Tier II and Tier III cities

Robust outlook

We are increasing production of these premium products, in line with its previous year's designs. Greenply continues to focus on getting government orders, while associating with influencers – carpenters and interior designers to target the residential sector.

108%
Average capacity utilisation at the plywood manufacturing units enhanced from 101% in 2015-16 to 108% in 2016-17



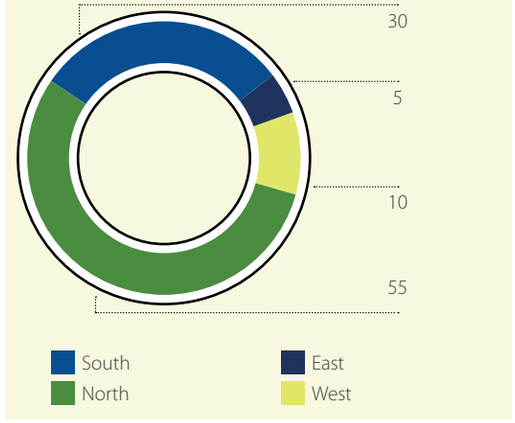
Medium Density Fibreboard (MDF)

MDF is gradually emerging as an important interior infrastructure building material. It is engineered wood. MDF is eco-friendly and a low-cost substitute to plywood. Our MDF is made through unique fibre-interlocking technology which leads to high bonding strength and rigidity. It is loaded with features which are best suited for making strong and durable furniture and creating unique interiors. It has a unique mix of durability, look, texture, richness and the feel of seasoned wood, with properties to replace solid timber.

MDF is a very versatile product with worldwide application primarily in panelling. It finds use in wide range of furniture, handicraft items, display or exhibition stands and signs. Further, it can be used for ceiling, toys, carving, partitions, maritime applications and educational equipment. MDF can also be used as a wood substitute because of its intrinsic properties which facilitates carving.

MDF can be used in a variety of applications including bedroom, and kitchen furniture. It could be further used for lounge and dining furniture, and home entertainment consoles, caravan interiors, shop fittings, snooker tables and caskets. MDF is also used in school projects because of its flexibility. Thin MDF boards are suitable for drawer bottoms, cabinet backs, interior wall and ceiling panels, modular partitions and door skins.

Regional MDF mix %



Distribution reach (MDF)

472
Distributors/ Stockists/Dealers

5,000
Retailers

15
Branches



Management Discussion and Analysis (Contd.)

Business segment achievements, 2016-17

₹476.74 crore
Revenues

₹129.43 crore
EBIDTA

₹106.04 crore
Profit before tax

28.81%
Contribution to total revenue

0.18 mn cubic mts.
Installed MDF manufacturing capacity

Competitive advantages

- India's largest and technically-advanced MDF production facility
- Stringent quality measures at every stage of the manufacturing process helps to maintain highest quality standards
- Wide range of products in variety of sizes and thickness cater to different needs
- MDF is produced from 100% renewable wood source
- MDF boards allow precise routing, machining and finishing techniques for a superior finish

Operational review 2016-17

- Increased production from 177,382 CBM in 2015-16 to 189,171 CBM in 2016-17
- Sales grew from 177,953 CBM in 2015-16 to 184,905 CBM in 2016-17
- Average realisations dropped from ₹ 26,723 per CBM in 2015-16 to ₹ 25,764 per CBM as the company ventured into exports to build the distribution network for the Andhra MDF unit expected to start commercial production in FY 2019
- Average capacity utilisation at the MDF manufacturing unit enhanced from 99% in 2015-16 to 105% in 2016-17.

Robust outlook

With the Government of India's stance on development, Indian cities are growing. The Smart Cities vision has helped to bring a huge shift in lifestyle of people residing in Tier II and Tier III cities. Rising per capita income and upscale living standards have created a huge scope for interior infrastructure space.

Greenply continues to focus on getting government orders, while associating with influencers – carpenters and interior designers to target the residential sector. We are working towards increasing awareness about eco-friendly MDFs with more sustainability for interiors, furniture and the environment across platforms.

Wood Floor

Greenply's wooden floor product segment is branded as Green Floormax. This is a growing segment for Greenply and offers a variety of flooring options. Floormax products are manufactured using advanced pre-laminate technology and the world's best short-cycle press by Wemhoner. Four layers combine to form this flooring solution that includes backing, high-density fibre, decorative and protective over-layer.

These wooden floors are easy to install and maintain. Made from imported flooring grade design paper, it can preserve static temperature favourable to human health. The imports are made from world's best paper suppliers.

Competitive advantages

- Installation of Floormax is easy. Just snapping the planks together does the job.
- Dust doesn't cling to the floor due to Greenply's superior technology, allowing absolutely no room for dust accumulation.
- Interlocking technology leaves no gaps or crevices. The Floormax floors appear flawless.
- The Floormax wooden floors are heat and temperature resistant resulting in no bending and twisting of the planks.

Operational review 2016-17

- Registered a ₹ 21.66 crore revenue (included in MDF segment)
- Continues to enhance brand visibility - advertisements in magazines have improved brand visibility
- Positioned successfully as B2C product with distinct features
- Reinforced presence with retailers and channel partners to grow its retailer network
- Bagged several prestigious residential and hospitality projects.

Robust outlook

With an increase in urbanisation and per capita income, future homes will be high on attractiveness and comfort. Greenply is well-positioned to take advantage of this shift with attractive Floormax wooden floors. We plan to increase the brand's visibility using innovative marketing techniques. The unique features of Floormax combined with superior technology is expected to be well-appreciated by users.

Thus, Greenply aims to further grow its distribution network for Floormax through channel partners. This way the Company can reach a wide spectrum of its target audiences.



Management Discussion and Analysis (Contd.)

FINANCE REVIEW

Analysis of the statement of profit and loss

During 2016-17, we consolidated our operations, widened our product basket and reinforced our market prominence. We demonstrated a resilient performance as the industry rebounded after the demonetisation.

Overall performance

(₹ in crores)

Particulars	2016-17	2015-16	Growth
Net Sales	1,654.9	1,645.7	0.6%
Gross profit	775.1	725.2	6.9%
Earnings Before Interest Depreciation Taxes and Amortisation (EBIDTA)	257.6	250.5	2.8%
Cash profit	183.60	180.18	1.90%
Profit After Tax	135.1	131.2	3.0%
Earnings Per Share (₹)	11.08	10.87	1.93%

We registered improvement in our margin owing to stringent cost management and stronger portfolio of margin accretive value-added products.

Margins

(%)

Particulars	2016-17	2015-16
Gross Margin	46.8	44.1
EBITDA Margin	15.6	15.2
Net Margin	8.2	8.0

Divisional performance in 2016-17

Revenue by division (%)	EBITDA by division (%)
Plywood and allied products: 70.58	Plywood and allied products: 50.75
Medium Density Fibreboards (MDF): 28.81	Medium Density Fibreboards (MDF): 50.25

Plywood and allied products

Greenply has emerged as one of the most preferred household Indian plywood brands owing to superior quality and its wide product range. During 2016-17, we reinforced our brand prominence and strengthened our reach.

Overall performance

Particulars	2016-17	2015-16	Growth
Net sales (₹ crores)	1,167.99	1,165.36	0.2%
EBITDA margin (%)	11.2	9.4	-
Production (million sqm.)	34.93	32.60	-
Sales volume (million sqm.)	50.30	48.25	4.2%
Utilisation (%)	108	101	-
Average realisation (₹/sqm.)	229	239	-

Medium Density Fibreboard (MDF)

During 2016-17, we focused on multiple influencers and customer connect programmes to spread awareness about our products. We further strengthened our product portfolio and reported higher capacity utilisation. The new MDF plant is progressing as per schedule.

Overall performance

Particulars	2016-17	2015-16	Growth
Net sales (₹ crores)	476.74	476.08	0.1%
EBITDA margin (%)	27.1	28.5	-
Production (cubic meter)	189,171	177,382	6.6%
Sales volume (cubic meter)	184,905	177,953	3.9%
Utilisation (%)	105	99	-
Average realisation (₹/cubic meter)	25,764	26,723	-

Cost analysis

Our total operating costs reduced by 0.30% from ₹ 1,453.34 crores in 2015-16 to ₹ 1,448.89 crores in 2016-17 on account of higher production across both divisions.

Cost components

(₹ in crores)

Particulars	2016-17	2015-16	Growth %
Raw material including trading purchases and changes in inventory	879.72	920.51	-4.4
People expenses	170.74	165.43	3.2
Other Expenses	354.35	313.94	12.9
Depreciation	48.53	49.01	-1.0

ANALYSIS OF THE BALANCE SHEET

Sources of funds

Particulars	2016-17 (₹ crores)	% of capital employed	2015-16 (₹ crores)	% of capital employed
Equity share capital	12.26	1.04	12.07	1.39
Reserves and surplus	774.76	65.74	601.43	68.99
Net worth	787.02	66.78	613.50	70.38
Loan funds	377.52	32.03	258.51	29.66
Deferred tax liability	14.02	1.19	-0.28	-0.04
Capital employed	1,178.56	100.00	871.73	100.00

Key ratios

(%)

Particulars	March 31, 2017	March 31, 2016
Return on Equity	17.2	16.7
Return on Capital Employed (Pre-Tax)	17.7	18.5
Return on Capital Employed (Post-Tax)	13.0	13.8
Net Debt / Equity (x)	0.48	0.40

The drop in the return ratios may be attributed to the fact that the company has invested ₹ 393.32 crores in new MDF unit in Andhra Pradesh which will commence commercial production in FY 2018-2019.

Application of funds

(₹ in crores)

Particulars	2016-17	2015-16
Gross block	770.08	761.77
Capital work-in-progress	216.11	9.30
Working capital	151.55	141.49

Management Discussion and Analysis (Contd.)

Efficiency ratios

	2016-17	2015-16
Inventory days	35	31
Debtor days	67	74
Creditor days	62	55
Working Capital turnover ratio	40	49
Current ratio	1.34	1.33
Quick ratio	0.98	1.01

Taxation

Greenply is entitled to tax benefits at its manufacturing units at Nagaland Plywood and Uttarakhand MDF. The plywood unit in Nagaland is entitled to refund of excise duty for a period of 10 years from July 2015. The Uttarakhand MDF unit is excise exempt upto March 2020 (change expected under GST regime) and Corporate Tax deduction to the extent of 30% of its profits in the MDF unit upto FY 2019.

Our total tax liability increased from ₹ 41.42 crores in 2015-16 to ₹ 55.88 crores in 2016-17.

Foreign exchange management

We reported a ₹ 294.81 crore of foreign exchange transactions (imports of ₹ 278.15 crores and ₹ 16.66 crores of exports) in 2016-17. During 2016-17, we incurred a forex loss of ₹ 3.65 crores.

HUMAN RESOURCE

At Greenply, we celebrate our driving force - Our People.

Our people are the power behind our company's success. Their commitment, skills and innovative approach has helped Greenply move forward. Our strong performance oriented culture helps to provide a healthy work environment based on merit. We believe our people are our biggest assets and thus, provide them with opportunities to outperform themselves. We care for our people and value a healthy work-life balance.

Greenply nurtures careers and goes beyond race and gender to recognise an individual's diverse experience and expertise. We believe in providing a supportive and collaborative environment for our people to deliver their best.

Our management believes training and engagement of workforce is extremely important to align them with the Greenply vision.

HEALTH, SAFETY AND ENVIRONMENT

Greenply believes health, safety and environment (HSE) management goes a long way in maintaining an organisation's sustainability. The Company, thus, demonstrates environmental and social responsibility at every step.

We are committed to benefit communities – workforce, public, and environment. Our HSE objectives include complying with all applicable laws relevant to the industry. The management believes in sharing responsibility with even the entry level employees in conforming to the existing laws. Furthermore, we believe in elevating health, safety and environment aspects of people around our facilities.

Major Concerns

Air pollution

Air pollution is a commonplace term in plywood industry. Fugitive chemical emissions, fuels, particulate pollution and drying of wood contribute to air pollution. Greenply is committed to implement state-of-the-art technologies to prevent air pollution.

Measures of prevention

- Installed Electro Specific Precipitator (ESP) in the plants to entrap the floating gas particles. It brings down the SPM level within prescribed limits of flue gas emissions through appropriate height stack.
- Flue gas from small capacity boilers is passed through wet scrubber. It strips off the floating ash particles before emitting of the gas in to the atmosphere through a chimney.
- The manufacturing area is ventilated with natural draft ventilation, as well with forced draft ventilation for machines emitting hot gas.

Water pollution

Plywood industry sometimes faces the problem of water pollution due to some related processes in the manufacturing of plywood. Soaking of timber; leaching from open storage of wood, barks and saw dust; and leakage and run off process chemicals and diesel fuel cause water pollution.

Blowdown from boiler and floor wash from resin plant is mixed in equalisation tank for further chemical treatment in ETP. Liquid effluent from de-fibrater of MDF plant is mainly residual wood fibre and dissolved lignin in steam condensate water.

Measures of prevention

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

Hazardous solid waste

Wood ash from boilers is the major solid waste generated from plywood plants. Besides, dry sludge from liquid effluent treatment plant also pollutes the environment.

Measures of prevention

- Wood ash is disposed as bio fertiliser for farming, as well as ground fills in the dump yard.
- Dry sludge is stored in an appropriate shed, in leak-proof containers. Then it is disposed through a contact arrangement, with a solid waste disposal dump yard agency.

Noise pollution

Noise pollution from plywood industries could affect the quality of life. Transportation of raw wood and finished products, operation of the peeling machine and operation of generators also contribute to noise pollution.

Measures of prevention

- Adequate measures have been implemented to restrict the spread of such noise by acoustic hood / enclosures. It provides mufflers for the operators.
- Plant buildings are well ventilated and a high roof is provided to eliminate echoes.

Precautions against safety hazard

- A fire hydrant (external and internal hydrants) system is laid across the plant. It reaches the water jet in the plant area, in case of any eventuality.
- Appropriate reserve storage of water for fire-fighting is maintained in RCC underground tanks. The system operates as wet riser with an electric driven fire pump and jokey pump. Both the pumps are provided with diesel generating set power supply with an auto start system. It always keeps the system in operation.
- In MDF plant fire detection and extinguishing system is installed with means of automatic operation and control. The system comprises water sprinklers for the wood fibre handling and hot press, among other features.
- Fire extinguishers that will fulfil the demand of the day are located at strategic locations for quick control. All electric panels are kept in a well-ventilated area. A structured preventive maintenance schedules are in place for upkeep of all electrical components. This is to avoid heat up of the same.
- A fire-fighting squad is available at the plant all the time. It is trained for fire extinguishing techniques in the wood based industry.
- Fire tender services are available in closely located fire stations of the industrial area, as part of facilities for protection in case of a major fire.

Health and safety measures

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

- The entire electrical panel's operation area is provided with rubber mats. This provides safety against electrical shock during operation / maintenance efforts.
- The rotating equipment is provided with safety fence / motor guards for human safety. All the hot surface pipes / equipment are provided with appropriate insulation for safety to the human body.

Management Discussion and Analysis (Contd.)

- Appropriate work platforms and ladders are provided for operation / maintenance of the components located at heights.

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

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

INFORMATION TECHNOLOGY

In 2016-17, we implemented several Information Technology (IT) initiatives across our business processes. Apart from easing day-to-day operations, investments in IT enabled better management of finance, quality and materials, among others. A robust IT setup has enabled pro-active decision-making and helped control and utilise the Company assets better. In the year under review, the following are our major investments in IT:

- **Customer Relationship Management (CRM):** Implemented CRM to improve relationship with existing customers, finding new prospective customers, and winning back former customers. This system will help in collecting, organising, and managing customer information seamlessly.

- **Gate-entry Module:** Implemented the gate-entry module to maintain automated gate registers for entry/exit of vehicles at plant gates. It will help regulate frauds while moving goods to and from factories.

- **Complaint Management:** Implemented automation in complaint management enabling us find quick solutions to consumer complaints. The automated system will help complaints reach the concerned department directly without any delays.

- **Master Data Management (MDM) Tool:** Implemented MDM tool to streamline data sharing among personnel and departments. This will help in maintaining seamless workflow, and save time in operations and daily activities of the Company.

- **Infrastructure Upgrades:** Implemented the HANA upgrade to enhance backup infrastructure for data. Further, the upgrade will make our processes faster, secure and add more functionalities to the system for our team to perform better.

- **Goods and Services Tax (GST) Compatible Systems:** Aligned all existing systems according to GST guidelines and norms. Our compatible systems will enable a smooth transition for Greenply 1st July onwards.

- **Automatic Mailers:** Incorporated an automatic mailer system to stay in touch with Greenply users. We will send greetings through personalised emails on users' birthdays and anniversaries. This will help us stay in a positive light where our user concerned.

- **Information Technology Asset Management:** Developed a set of checks for our IT assets that are issued to and collected from the users. This will help us to track our IT assets and ensure their safety.

Going forward, Greenply will employ more IT enabled solutions for all its processes. In the next financial year, we have recognised the following IT systems that will need our focus:

- **Implementation of Human Resources Management System (HRMS):** Integrate HR processes with SAP on a distinctive HRMS software for better workforce management.

- **Governance Risks and Compliance (GRC):** Apply GRC software for stabilisation and compliance role will enable seamless application of guidelines and norms.

- **Treasury Risk Management:** Implementing IT solutions for treasury risk management will help us manage the Company's financial activities better.

- **Business Intelligence Tool:** Application of business intelligence tool to help users get reports as per requirements.

- **Production Planning:** Implement production planning in all our activities to utilise the Company's full potential using automated production techniques.

RISK MANAGEMENT

Our robust and effective risk management system continues to evolve. It is enabling our business to achieve its strategic objectives; and deliver sustainable, long-term growth and a commitment to responsible business practices.

Our risk management approach



SLOWDOWN IN INDIA'S ECONOMIC PROGRESS MAY AFFECT THE COMPANY'S GROWTH OPPORTUNITIES

Mitigations

- Indian economy will continue to grow more than 7.1% in 2017-18 making it one of the fastest growing economics, owing to strong government reforms.

- Demonetisation also led to an increase in bank deposits enabling banks to cut lending rates. Hence, it pushed demand for real-estate, leading to an increased demand for wood panel products.

- The Goods and Services Tax (GST) Bill is expected to be implemented by July 1, 2017, and it is likely to lead to spurring growth, competitiveness, indirect tax simplification and greater transparency.

FALL IN DISPOSABLE INCOME COULD DENT GROWTH

Mitigations

- India is witnessing a rise in household incomes across urban and rural landscape. Moreover, there has been a growth in the number of nuclear families. These factors drive growth of plywood and MDF products.

- Rising discretionary income and surging middle-class population in India has resulted into increasing the affordability of the branded and better-quality plywood and MDF.

- Surging demand for commercial office spaces particularly, in metro cities will drive demand for building material.

- Middle-class population is showcasing keen interest in spending on interior designs and decoration in the recent years.

THREAT FROM THE ORGANISED PEERS AND UNORGANISED SECTOR MAY IMPACT GROWTH

Mitigations

- We constantly connect with our key influencers -- interior designers, architects, carpenters, contractors and retailers to reinforce a strong brand recall.

- Our best-in-class technologies and continuous value-addition leads to new product development for various price points and customer categories.

- Implementation of GST is likely to accelerate the shift from unorganised to organised plywood, as the same would address the complexities and inefficiencies of the current indirect tax framework and reduce the price differential between the branded and unbranded players.

- We command 26% of the organised plywood market and 30% of the MDF market.

INEFFECTIVE MARKETING EFFORTS MAY DENT MARKET SHARE

Mitigations

- Our proactive brand building exercises for all influencer group has helped us create significant brand traction.

- We are enhancing digital media avenues to reach out to more customers.

Management Discussion and Analysis (Contd.)

- Presence across 21 states with pan-India marketing network with 39 branch offices and over 5000 influencers like distributors, dealers, stockists, sub-dealers and retailers reinforce our prominence.

DIVERGENCE FROM QUALITY STANDARDS COULD LEAD TO ATTRITION AMONG CONSUMERS

Mitigations

- Our quality team ensures strict adherence to quality parameters from raw material to finished products.
- Best-in-class technologies and advanced manufacturing equipment ensure superior quality products.
- Our products meet quality standards such as CE, FSC (COC), IGBC and BIS.

UNAVAILABILITY OF KEY RAW MATERIALS COULD IMPACT BUSINESS OPERATIONS

Mitigations

- All our facilities are proximate to raw material sources.
- We maintain a large inventory of key raw materials and are also adding new vendors to diversify our vendor base.
- We have strong vendor relationships through direct dealings and prompt payments, ensuring regular supply.

INEFFECTIVE COST CONTROL MEASURES COULD DAMPEN OUR PROGRESS

Mitigations

- We derive benefits from economies of scale in procuring raw materials and consumables.
- We renegotiated rates with all vendors for all key raw materials, stores and spares; and progressed to more optimised costs.
- We undertook various efficiency enhancing initiatives across all our plant to rationalise costs.

INABILITY TO UPGRADE PEOPLE POTENTIAL MAY HINDER THE COMPANY'S PROGRESS

Mitigations

- We conducted multiple competence building initiatives for all employees, enabling capability building.
- Ensured an amicable working environment across all our operating locations.
- Conduct multiple employee engagement initiatives to keep our team motivated and ready to deliver.

LACK OF SUFFICIENT FUNDS COULD HINDER SEAMLESS DAY-TO-DAY OPERATIONS

Mitigations

- Our receivable cycle improved to 67 days of turnover compared to 74 days in 2015-16.
- Our current and quick ratio stood at 1.34 and 0.98, respectively.
- We are associated with a consortium of five banks, providing working capital loans.
- Our debt-equity ratio (including capital employed in expansion projects) was 0.48 at the close of 2016-17.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

Directors' Report

To
The Members,

Your Directors have pleasure in presenting their 27th 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, 2017.

FINANCIAL HIGHLIGHTS

The financial performance of your Company, for the year ended March 31, 2017 is summarized below:

(₹ in lacs)

Particulars	2016-17		2015-16	
	Standalone	Consolidated	Standalone	Consolidated
Turnover	176882.53	177344.71	171349.48	171311.01
Profit before finance charges, Tax, Depreciation/ Amortization (PBITDA)	25759.72	25090.24	25050.32	24875.55
Less: Finance Charges	1811.77	1891.94	2891.07	2938.78
Profit before Depreciation/Amortization (PBTDA)	23947.95	23198.30	22159.25	21936.77
Less: Depreciation	4853.09	5066.28	4900.94	4968.40
Net Profit before Taxation (PBT)	19094.86	18132.02	17258.31	16968.37
Provision for taxation	5587.65	5587.65	4141.66	4141.66
Profit/(Loss) after Taxation (PAT)	13507.21	12544.37	13116.65	12826.71
Transfer to General Reserve	6500.00	6500.00	6500.00	6500.00

RESULT OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

During the year under review, your Company posted a stable performance with revenue of ₹ 176882.53 lacs as against ₹ 171349.48 lacs in the previous year. Profit for the year 2016-17 was ₹ 13507.21 lacs as against ₹ 13116.65 lacs in the previous year.

Exports during the year 2016-17 was ₹ 2738.49 lacs. 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 operation and profit for the year 2016-17 were ₹ 177344.71 lacs and ₹ 12544.37 lacs respectively as against ₹ 171311.01 lacs and ₹ 12826.71 lacs in the previous year.

Your Company continues to retain and reinforce its market share under organised sector with a pan India distribution network comprising of distributors/ dealers and retailers. Your Company is the preferred partner of choice for a large number of offices and home builders, having a comprehensive product portfolio servicing clients at every point of the price spectrum. Your Company is present across different price points to cater to the needs of all customers across the high-end, mid-market and value-for-money segments. During the year under review, your Company continuously trying to locate new markets for its business venture of trading in wallpaper of different categories, sourced from various overseas suppliers and marketed in India under the Company's brand.

OUTLOOK AND EXPANSION

The Company's pan-India distribution network ensures easy availability of products in almost every part of India. The Company's outlook remains favourable on account of its product integration capabilities, increasing brand visibility 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 MDF, is rapidly growing. The real estate industry is one of the most significant growth drivers for the plywood sector. Your company also focused on the value added products to improve margin. Goods and Services (GST) Tax scheduled to be effective from 1st July, 2017 is expected to bolster the economy with a simplified indirect tax system and more competitive and transparent markets.

Directors' Report (Contd.)

Indian furniture industry is one of the world's largest furniture markets. It is primarily driven by a substantial middle-class population, rapid urbanisation, favourable demographics, increasing per capita income and growing nuclear families. This will encourage strong demand growth for plywood and MDF. Reconstituted wood products, such as plywood, board and medium density fibreboards are likely to be used increasingly by consumers, real estate developers, furniture makers, railways and defence, are among others 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.

In respect of setting-up of new MDF manufacturing unit in Chittoor, Andhra Pradesh, necessary steps are being taken to obtain the remaining statutory approvals/licenses to set-up the Unit. Contracts with the principal Process Equipment Suppliers, Engineering Consultancy Services, major Civil & Fabrication contractors, major Electrical Contractors & Suppliers have been executed/ are in the process of execution. Civil construction and Structural work are in progress. Majority of the imported machineries have reached the project site and the same are under process of installation. The said facility is expected to be commissioned in FY 2019.

In respect of setting-up of new Veneer, Lumber and Panel products manufacturing unit at Nkok SEZ, Gabon, West Africa, through step-down wholly owned subsidiary Greenply Gabon SA, the construction of the first shed has been completed. Peeling lines along with dryers and other ancillary machineries have arrived at the project site and installed. Raw material has begun to arrive at the site and trial runs is under process. The unit will start commercial production of Veneer shortly.

In respect of setting-up of a new unit adjacent to the existing unit of the Company in Bamanbore, Gujarat, for manufacturing of decorative plywood/decorative veneers, the Company has discussed with vendors and finalized the machineries and civil construction work for the upcoming unit.

In respect of setting-up of a new unit in Sandila Industrial Area, Sandila, Dist: Hardoi, Uttar Pradesh for manufacturing of Plywood and its allied products, the Company has made an application for the allotment of land with respective government authority.

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

SUBSIDIARIES AND JOINT VENTURE

Presently, your Company has three overseas wholly owned subsidiaries viz.(i) Greenply Trading Pte. Ltd., Singapore, engaged in the business of trading and marketing of veneers, panel products, wooden flooring & allied products and also investments in companies engaged in manufacturing and trading of said products.(ii) Greenply Holdings Pte. Ltd., Singapore, with the objective to hold the investment (presently held by Greenply Trading Pte. Limited, Singapore) in Greenply Alkemal (Singapore) Pte. Ltd., Singapore. (iii) Greenply Middle East Limited, Dubai, UAE, with the objective to manage, control and hold investment in Greenply Gabon SA, Gabon, West Africa and general trading business.

Further, your Company has an overseas step-down wholly owned subsidiary viz. Greenply Gabon SA, Gabon, West Africa, (Subsidiary of Greenply Middle East Limited, Dubai, UAE) with the objective to manage and control the proposed veneer, lumber and panel products manufacturing unit at Nkok SEZ in Gabon, West Africa.

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

The statement in form AOC-1 containing the salient features of the financial statements of subsidiaries/ associate companies/joint ventures pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 is annexed to this Report. Further, the contribution of Greenply Trading Pte. Ltd., Singapore, Greenply Holdings Pte. Ltd., Singapore and Greenply Middle East Limited, Dubai, UAE, wholly owned subsidiaries to overall performance of the Company during the year under review is mentioned in Note no. 4.1 of the Consolidated Financial Statements.

CHANGE(S) IN THE NATURE OF BUSINESS

There has been no change in the nature of business of the Company.

CONSOLIDATED FINANCIAL STATEMENTS

For the period under review, the Company has consolidated the financial statements of its wholly owned subsidiaries viz. Greenply Trading Pte. Ltd., Singapore, Greenply Holdings Pte. Ltd., Singapore and Greenply Middle East Limited, Dubai (UAE). In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, www.greenply.com. Further, as per fourth proviso of the said section, audited annual accounts of the subsidiary companies and Joint Venture Company have also been placed on the website of the Company, www.greenply.com. Shareholders interested in obtaining a copy of the audited annual accounts of the subsidiary companies and Joint Venture Company may write to the Company Secretary at the Company's registered office. A statement containing salient features of the financial statements of subsidiary/associate companies/joint venture in form AOC -1 is annexed to this Report.

CREDIT RATING

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

Rating Agency	Instrument	Rating
CARE	Banking Facilities – Long Term	CARE AA-
CARE	Banking Facilities – Short Term	CARE A1+
CARE	Short Term Debt (including Commercial Paper)	CARE A1+
India Ratings & Research	Banking Facilities – Long Term	IND AA-
India Ratings & Research	Banking Facilities – Short Term	IND A1+
India Ratings & Research	Short Term Debt (including Commercial Paper)	IND A1+

Above credit rating reflects Company's commitment and capability to persistent growth through prudence and focus on financial discipline.

DIVIDEND

Your Directors recommend a final dividend of 60% i.e. ₹ 0.60 per equity share (previous year 60% i.e. ₹ 0.60 per equity share of ₹ 1/-) on the Company's 122627395 equity shares of ₹ 1/- each for financial year 2016-17. The final dividend on the equity shares, if declared as above, would involve an outflow of ₹ 735.76 lacs towards dividend and ₹ 149.78 lacs towards dividend distribution tax, resulting in a total outflow of ₹ 885.54 lacs.

TRANSFER TO RESERVES

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

CHANGES IN SHARE CAPITAL

Pursuant to a special resolution passed by the members of the Company, through postal ballot voting (including e-voting) process on 31st July, 2016 (the last date specified by the Company for receipt of duly completed postal ballot forms or e-voting), for issuance of equity shares including convertible bonds/ debentures through Qualified Institutional Placement (QIP) and / or depository receipts and / or any other modes for an amount not exceeding ₹ 1000 million, the Company has issued and allotted 19,45,525 equity shares of face value of ₹ 1 each through QIP to Qualified Institutional Buyers at the issue price of ₹ 257 per equity share, aggregating to ₹ 49,99,99,925. Accordingly, issued, subscribed & paid up share capital of the Company has been increased from ₹ 1206.82 lacs (12,06,81,870 equity shares of ₹ 1 each) to ₹ 1226.27 lacs (12,26,27,395 equity shares of ₹ 1 each). The objects of the QIP was to use the gross proceeds of the issue for the purpose of setting-up new MDF manufacturing unit in Chittoor, Andhra Pradesh. Pursuant to Regulation 32 of the Listing Regulations, your directors confirm that there has been no deviation in the use of QIP proceeds from the objects stated in the Placement Document dated August 12, 2016.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Shiv Prakash Mittal [DIN: 00237242], Executive Chairman of the Company, will retire by rotation at the ensuing Annual General Meeting and is eligible for re- appointment.

Directors' Report (Contd.)

The Board of Directors at their meeting held on 24th January, 2017, subject to approval of members of the Company has accorded their approval to re-appoint Mr. Shiv Prakash Mittal as the Executive Chairman of the Company for a further period of 5 years w.e.f. 01.02.2017 on the existing terms and conditions including remuneration. During the proposed tenure commencing w.e.f. 01.02.2017, Mr. Shiv Prakash Mittal would be attaining the age of 70 years and hence, his re-appointment would require approval of members of the Company by way of passing of special resolution in terms of Part I of Schedule V of the Companies Act, 2013. The same was recommended to the Board of Directors by the Nomination and Remuneration Committee at its meeting held on 24th January, 2017. The detailed terms and conditions including remuneration have been mentioned in the Notice convening 27th Annual General Meeting. Further, the details of Mr. Shiv Prakash Mittal [DIN: 00237242] as required under Listing Regulations and SS-2 have also been provided in the Corporate Governance Report and the Notice of 27th Annual General Meeting.

During the year under review, the Company has received all necessary approvals from the concerned authorities regarding re-appointment of Mr. Shobhan Mittal [DIN: 00347517] as a Joint Managing Director & CEO of the Company for a period of five years with effect from September 1, 2016.

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

DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors of the Company have given their declarations to the Company to the effect of meeting the criteria of independence as provided in Section 149 (7) read with Section 149(6) of the Companies Act, 2013 and Listing Regulations.

MEETINGS OF THE BOARD OF DIRECTORS

Six (6) Board Meetings were held during the financial year ended 31st March, 2017. The details of the Board Meetings with regard to their dates and attendance of each of the Directors there at have been provided in the Corporate Governance Report.

PERFORMANCE EVALUATION

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

Pursuant to Para VII of Schedule IV of the Companies Act, 2013 and Listing Regulations, a meeting of the Independent Directors of the Company was convened on March 16, 2017 to perform the following:

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

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

The criteria for evaluation are briefly provided below:

a. For Independent Directors:
- General parameters
- Roles & responsibilities to be fulfilled as an Independent director
- Participation in Board process.

b. For Executive & Non-executive Directors:
- Governance
- Strategy
- Stakeholder focus
- Communication & influence
- Quality or capability
- Performance improvement
- Financial & risk awareness

The Directors expressed their satisfaction with the evaluation process.

FAMILIARISATION PROGRAMME

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

MANAGERIAL REMUNERATION

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

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

Name	Designation	Ratio to median remuneration of employees
Mr. Shiv Prakash Mittal	Executive Chairman	347.45
Mr. Rajesh Mittal	Managing Director	339.60
Mr. Shobhan Mittal	Joint Managing Director & CEO	228.83
Mr. Moina Yometh Konyak	Non-executive Director	6.42
Mr. Susil Kumar Pal	Independent Director	6.42
Mr. Vinod Kumar Kothari	Independent Director	6.42
Mr. Anupam Kumar Mukerji	Independent Director	6.42
Ms. Sonali Bhagwati Dalal	Independent Director	6.42
Mr. Upendra Nath Challu	Independent Director	6.42

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

Name	Designation	% increase
Mr. Shiv Prakash Mittal	Executive Chairman	05.32
Mr. Rajesh Mittal	Managing Director	05.45
Mr. Shobhan Mittal	Joint Managing Director & CEO	-19.21
Mr. Moina Yometh Konyak	Non-executive Director	00.00
Mr. Susil Kumar Pal	Independent Director	00.00
Mr. Vinod Kumar Kothari	Independent Director	00.00
Mr. Anupam Kumar Mukerji	Independent Director	00.00
Ms. Sonali Bhagwati Dalal	Independent Director	00.00
Mr. Upendra Nath Challu	Independent Director	00.00
Mr. Vishwanathan Venkatramani	Chief Financial Officer	06.00
Mr. Kaushal Kumar Agarwal	Company Secretary & Vice President-Legal	08.00

(c) percentage increase in the median remuneration of employees in the financial year 2016-17;

06.58

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

3451

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

7.81% (non-Managerial personnel) - 1.37% (Managerial Personnel)

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

(g) Managing Directors and Whole-time Directors of the Company do not receive any commission from its subsidiary companies. However, Mr. Shobhan Mittal, Joint Managing Director &

Directors' Report (Contd.)

CEO of the Company is drawing remuneration from Greenply Trading Pte. Ltd., WOS of the Company.

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

STATUTORY AUDITORS AND THEIR REPORT

As per the provisions of Section 139 of the Companies Act 2013, the term of office of M/s. D. Dhandaria & Company, Chartered Accountants (Firm Registration no. 306147E), as Statutory Auditors of the Company will conclude from the close of the forthcoming Annual General Meeting of the Company. The Board of Directors places on record its appreciation for the services rendered by M/s. D. Dhandaria & Company as the Statutory Auditors of the Company.

Subject to the approval of the Members, the Board of Directors of the Company has recommended the appointment of M/s. B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 101248W/W-100022) as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013. Members' attention is drawn to a Resolution proposing the appointment of M/s. B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 101248W/W-100022) as Statutory Auditors of the Company which is included at Item No.4 of the Notice convening the Annual General Meeting.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and, therefore, do not call for further clarification. The Auditor's Report for Financial Year ended March 31, 2017 does not have any qualifications.

COST AUDITORS

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

INTERNAL AUDITOR

The Company has in-house Internal Audit team headed by qualified and experienced Executive. The scope, functioning, periodicity and methodology for conducting internal audit were approved by the Board of Directors and reviewed by the Audit Committee from time to time. Further, the Audit committee discussed and reviewed the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official, heading the department, reporting structure coverage and frequency of internal audit.

SECRETARIAL AUDITOR

The Board of Directors of the Company had appointed M/s. Nidhi Bagri & Company, Practising Company Secretary (Membership No. ACS 24765/COP No.9590), Kolkata, to conduct Secretarial Audit for the financial year 2016-17. The Secretarial Audit Report of M/s. Nidhi Bagri & Company, Practising Company Secretary, in Form MR-3, for the financial year ended 31st March, 2017, is annexed to this report.

RESPONSE TO SECRETARIAL AUDITOR'S OBSERVATION

It has been observed by the Secretarial Auditor that during the financial year 2016-17, the Company has spent ₹ 226.84 Lacs towards CSR activities, which is less than 2% of the average net profit of last 3 financial years. In response to the same, your Company would like to submit that during the year under review, the Company has undertaken CSR activities directly and through its Trust namely GREENPLY FOUNDATION. The Trust has utilized unspent amount lying with it as on 31.03.2016 for the CSR activities. Further, to maintain the integrity of CSR expenditure, the Company has transferred ₹ 240.00 lacs to the Trust during FY 2016-17. The Company has spent ₹ 226.84 lacs towards CSR activities (directly and through Trust-Greenply Foundation) during the year, which is less than the minimum allocation of CSR being 2% of the average net profit of last 3 financial years amounting to ₹ 307.26 lacs in total. Though the Company has actually contributed more than the aforesaid amount of minimum allocation during FY 2016-2017, however, the same could not be fully utilized by few Implementing Agencies as on 31.03.2017. The Trust has also earned ₹ 7.01 lacs on temporary investment with Banks during FY 2016-17. The unutilized fund lying with the Trust as on 31.03.2017 amounting to ₹ 144.84 lacs (net of liabilities of ₹ 0.45 lacs) and unutilized fund lying with the Implementing Agencies as on 31.03.2017 will be used for CSR activities along with fresh funding, if any, from the Company, during FY 2017-18. The Company is committed to the underlying intent of CSR and is optimistic of meeting its obligations under section 135 of the Companies Act, 2013 and thereby make a positive impact on the society.

AUDIT COMMITTEE

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

VIGIL MECHANISM

In pursuance to the provisions of section 177(9) & (10) of the Companies Act, 2013 and erstwhile equity listing agreement, a vigil mechanism or 'Whistle Blower Policy' for directors and employees to report genuine concerns had been established and implemented. The policy safeguards the whistle blowers to report concerns or grievances and also provides a direct access to the Chairman of the Audit Committee. During the year under review none of the personnel has been denied access to the Chairman of the Audit Committee. The policy has been uploaded on the website of the Company and is available at the weblink at http://www.greenply.com/images/pdf/Vigil_Mechanism_Policy.pdf.

NOMINATION AND REMUNERATION COMMITTEE

The Company's Nomination and Remuneration Committee comprises of three Non-Executive Independent Directors viz. Mr. Susil Kumar Pal, Mr. Vinod Kumar Kothari, Mr. Anupam Kumar Mukerji and one Executive-Promoter Director Mr. Shiv Prakash Mittal. The Remuneration Policy of the Company is uploaded on the website of the Company. The weblink is http://www.greenply.com/images/pdf/Greenply-remuneration-policy.pdf. The terms of reference and other details of the Nomination and Remuneration Committee has also been provided in the Corporate Governance Report. However, brief outline of the Remuneration Policy is as follows:

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

a) the Company is able to attract, develop and retain high-performing and motivated Executives in a competitive international market;

b) the Executives are offered a competitive and market aligned remuneration package, with fixed salaries being a significant remuneration component, as permissible under the Applicable Law;

c) remuneration of the Executives are aligned with the Company's business strategies, values, key priorities and goals.

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

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

The assessment for Functional Heads are done on the basis of below parameters by the concerned interview panel of the Company –

a) Competencies
b) Capabilities
c) Compatibility
d) Commitment
e) Character
f) Strong interpersonal skills
g) Culture among others.

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

The five remuneration components are -

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

Directors' Report (Contd.)

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

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

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

i. If any such director draws or receives, directly or indirectly, by way of fee/remuneration any such sums in excess of the limit as prescribed or without the prior sanction, where it is required, under the Applicable law such remuneration shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive the recovery of any sum refundable to it;

ii. Such directors may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board, as permissible under Applicable law;

iii. An independent director shall not be entitled to any stock option and may receive remuneration only by way of fees and reimbursement of expenses for participation in meetings of the Board or Committee thereof and profit related commission, as may be permissible by the Applicable law.

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

STAKEHOLDERS RELATIONSHIP COMMITTEE

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

RISK MANAGEMENT POLICY

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

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.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial position of the Company since the close of financial year i.e. since 31st March, 2017 till the date of this Report. Further, it is hereby confirmed that there has been no change in the nature of business of the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE

As such there is no significant and material order has been passed by any Regulator/Court/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 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. The Audit Committee evaluated the internal financial controls based on the following criteria:

1. Systems have been laid to ensure that all transactions are executed in accordance with management's general and specific authorization. There are well-laid manuals for such general or specific authorization.

2. Systems and procedures exist to ensure that all transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for aspects and the timely preparation of reliable financial information.

3. Access to assets is permitted only in accordance with management's general and specific authorization. No assets of the Company are allowed to be used for personal purposes, except in accordance with terms of employment or except as specifically permitted.

4. The existing assets of the Company are verified/ checked at reasonable intervals and appropriate action is taken with respect to any differences, if any.

5. Proper systems are in place for prevention and detection of frauds and errors and for ensuring adherence to the Company's policies.

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. D. Dhandaria & Company, Chartered Accountants, Statutory Auditors of the Company is attached with their Independent Auditor's report and the same is self-explanatory.

INDIAN ACCOUNTING STANDARDS (IND AS) – IFRS CONVERGED STANDARDS

Your Company has adopted Ind AS with effect from April 1, 2016 pursuant to Ministry of Corporate Affairs notification dated February 16, 2015 notifying the Companies (Indian Accounting Standard) Rules, 2015.

INSURANCE

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

PARTICULARS OF LOANS/ADVANCES/ INVESTMENTS AS REQUIRED UNDER SCHEDULE V OF THE LISTING REGULATIONS

The details of related party disclosures with respect to loans/advances/investments at the year end and maximum outstanding amount thereof during the year as required under Part A of Schedule V of the Listing Regulations have been provided in the notes to the Financial Statements of the Company.

LOANS/ADVANCES, GUARANTEE AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

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

DEPOSITS

During the financial year 2016-17, 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 transaction is provided in Form AOC-2 as required under section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014. Further, suitable disclosure as required by the Accounting Standards (Ind AS 24) has been made in the notes to the Financial Statements. The Board has approved a policy for related party transactions which has been

Directors' Report (Contd.)

uploaded on the Company's website. The web link as required under Listing Regulations is as under: http://www.greenply.com/images/pdf/Related-Party-Transaction(s)-Policy.pdf

CORPORATE GOVERNANCE

Your Company is committed to observe good Corporate Governance practices. The report on Corporate Governance for the financial year ended March 31, 2017, as per Regulation 34(3) read with Schedule V of the Listing Regulations forms part of this Annual Report and annexed to this Report. The requisite certificate from Statutory Auditors, M/s. D. Dhandaria & Company, Chartered Accountants confirming compliance with the conditions of corporate governance, is attached to this Report on Corporate Governance.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Report on Management Discussion and Analysis Report as required under Listing Regulations forms part of this Annual Report and is annexed to this Report. Certain Statements in the said report may be forward looking. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook.

POLICY ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place a Policy on prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. There were no complaints pending for the redressal at the beginning of the year and no complaints received during the financial year.

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

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

CORPORATE SOCIAL RESPONSIBILITY

During the year under review, the Company has undertaken CSR activities directly and through its Trust namely **GREENPLY FOUNDATION**. The Trust has utilized unspent amount lying with it as on 31.03.2016 for the CSR activities. Further, to maintain the integrity of CSR expenditure, the Company has transferred ₹ 240.00 lacs to the Trust during FY 2016-17. The Company has spent ₹ 226.84 lacs towards CSR activities (directly and through Trust-Greenply Foundation) during the year, which is less than the minimum allocation of CSR being 2% of the average net profit of last 3 financial years amounting to ₹ 307.26 lacs in total. Though the Company has actually contributed more than the aforesaid amount of minimum allocation during FY 2016-2017 , however, the same could not be fully utilized by few Implementing Agencies as on 31.03.2017. The Trust has also earned ₹ 7.01 lacs on temporary investment with Banks during FY 2016-17. The unutilized fund lying with the Trust as on 31.03.2017 amounting to ₹ 144.84 lacs (net of liabilities of ₹ 0.45 lacs) and unutilized fund lying with the Implementing Agencies as on 31.03.2017 will be used for CSR activities along with fresh funding, if any, from the Company, during FY 2017-18. The Company is committed to the underlying intent of CSR and is optimistic of meeting its obligations under section 135 of the Companies Act, 2013 and thereby make a positive impact on the society. In compliance with requirements of Section 135 of the Companies Act, 2013, the Company has a CSR Policy. The composition of the Committee, contents of CSR Policy and report on CSR activities carried out during the Financial Year ended 31st March, 2017 in the format prescribed under Rule 9 of the Companies (Accounts) Rules, 2014 is annexed to this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

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

(i) in the preparation of the annual financial statements for the financial year ended March 31, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

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

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

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

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

CEO AND CFO CERTIFICATION

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

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

The Code of Conduct is posted on the Company's website. The Joint Managing Director & CEO of the Company has given a declaration that all Directors and Senior Management Personnel concerned, affirmed compliance with the Code of Conduct with reference to the year ended on March 31, 2017. Declaration is attached with the annual report.

COMPLIANCE CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

The certificate received from M/s. D. Dhandaria & Company, Chartered Accountants (Firm Registration no. 306147E), Statutory Auditors of the Company, to the effect of compliance of conditions of Corporate Governance as required under Schedule V of the Listing Regulations is annexed with the Report.

BUSINESS RESPONSIBILITY REPORT

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

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.

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

The relevant details in this regard have been provided in the Corporate Governance Report annexed to this Report.

PARTICULARS OF EMPLOYEES

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

ACKNOWLEDGEMENTS

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

For and on behalf of the Board of Directors

Shiv Prakash Mittal
Executive Chairman
DIN: 00237242

Place: Kolkata
Date: May 29, 2017

Form AOC-1

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/JOINT VENTURES

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

Part "A": Subsidiaries		**₹ in Lacs**
1.	Name of the subsidiary	Greenply Trading Pte. Ltd., Singapore
2.	Reporting period for the subsidiary	01.04.2016- 31.03.2017
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year	USD / INR = 65.0225
4.	Share Capital	5413.12
5.	Reserves & Surplus	(1234.18)
6.	Total Assets	4186.51
7.	Total Liabilities	2618.28
8.	Investments*	2610.71
9.	Turnover	2113.37
10.	Profit / (Loss) before taxation (including Other Comprehensive Income)	(1189.29)
11.	Provision for taxation	NIL
12.	Profit / (Loss) after taxation (including Other Comprehensive Income)	(1189.29)
13.	Proposed Dividend	NIL
14.	% of shareholding	100%

**Including ₹ 172.36 Lacs towards share of profit from investment in the Joint Venture Company, Greenply Alkemal (Singapore) Pte. Ltd., Singapore*

Part "A": Subsidiaries		**₹ in Lacs**
1.	Name of the subsidiary	Greenply Holdings Pte. Ltd., Singapore
2.	Reporting period for the subsidiary	22.06.2016 - 31.03.2017
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year	USD / INR = 65.0225
4.	Share Capital	16.26
5.	Reserves & Surplus	(4.85)
6.	Total Assets	12.65
7.	Total Liabilities	1.24
8.	Investments	NIL
9.	Turnover	NIL
10.	Profit / (Loss) before taxation (including Other Comprehensive Income)	(4.85)
11.	Provision for taxation	NIL
12.	Profit / (Loss) after taxation (including Other Comprehensive Income)	(4.85)
13.	Proposed Dividend	NIL
14.	% of shareholding	100%

Part "A": Subsidiaries		**₹ in Lacs**
1.	Name of the subsidiary	Greenply Middle East Ltd., Dubai, UAE
2.	Reporting period for the subsidiary	04.07.2016 - 31.03.2017
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year	USD / INR = 65.0225
4.	Share Capital	1771.73
5.	Reserves & Surplus	(185.56)
6.	Total Assets	290.94
7.	Total Liabilities	915.53
8.	Investments	2210.76
9.	Turnover	NIL
10.	Profit / (Loss) before taxation (including Other Comprehensive Income)	(185.56)
11.	Provision for taxation	NIL
12.	Profit / (Loss) after taxation (including Other Comprehensive Income)	(185.56)
13.	Proposed Dividend	NIL
14.	% of shareholding	100%

Part "A": Subsidiaries		**₹ in Lacs**
1.	Name of the subsidiary	Greenply Gabon SA, Gabon
2.	Reporting period for the subsidiary	14.07.2016 - 31.03.2017
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year	USD / INR = 65.0225
4.	Share Capital	2202.12
5.	Reserves & Surplus	24.11
6.	Total Assets	6058.83
7.	Total Liabilities	3832.60
8.	Investments	NIL
9.	Turnover	NIL
10.	Profit / (Loss) before taxation (including Other Comprehensive Income)	24.11
11.	Provision for taxation	NIL
12.	Profit / (Loss) after taxation (including Other Comprehensive Income)	24.11
13.	Proposed Dividend	NIL
14.	% of shareholding	100%

Notes:

1. Names of subsidiaries which are yet to commence operations – N.A.
2. Names of subsidiaries which have been liquidated or sold during the year – Nil

STATEMENT PURSUANT TO SECTION 129 (3) OF THE COMPANIES ACT, 2013 RELATED TO ASSOCIATE COMPANIES AND JOINT VENTURES

Part "B": Associates and Joint Ventures (JV)		
1	Name of Joint Venture	Greenply Alkemal (Singapore) Pte. Ltd., Singapore
2.	Latest audited Balance Sheet Date	31.03.2017
3.	Shares of Associate/Joint Venture held by the Company on the year end	The Company has no direct shareholding in the JV. It holds through its Wholly Owned Subsidiary i.e. Greenply Trading Pte. Ltd., Singapore
a.	Number of Shares	37,50,000 ordinary shares of USD 1 each
b	Amount of Investment in Associate/Joint Venture	USD 37,50,000
c	Extend of Holding %	50% through Greenply Trading Pte. Ltd., Singapore, a wholly owned subsidiary of the Company.
4.	Description of how there is significant influence	No significant influence
5.	Reason why the associate/joint venture is not consolidated	The Company has consolidated the accounts of Greenply Trading Pte. Ltd., which has accounted for its share of profit in the Joint venture company.
6	Net worth attributable to Shareholding as per latest audited Balance Sheet	₹ 2610.71 lacs
7	Profit / (Loss) for the year (including Other Comprehensive Income)	
i	Considered in Consolidation	₹ (204.01) lacs
ii	Not Considered in Consolidation	₹ (204.01) lacs

Notes:

1. Names of associates or joint ventures which are yet to commence operations. – N.A.
2. Names of associates or joint ventures which have been liquidated or sold during the year. – N.A.

For and on behalf of the Board of Directors

Shiv Prakash Mittal
Executive Chairman
(DIN: 00237242)

Rajesh Mittal
Managing Director
(DIN: 00240900)

Susil Kumar Pal
Director
(DIN: 00268527)

V. Venkatramani
Chief Financial Officer
Place: Kolkata
Date: May 29, 2017

Kaushal Kumar Agarwal
Company Secretary &
Vice President-Legal

Form AOC-2

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

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil
2. Details of material contracts or arrangement or transactions 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, Joint Managing Director & CEO	Revision in drawing of monthly remuneration from Greenply Trading Pte. Ltd., Singapore, wholly owned subsidiary of Greenply Industries Limited, 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	**Salient terms of the contracts or arrangements or transactions:** Revision in drawing of remuneration from SGD 15000 (Singapore Dollar Fifteen Thousand only) per month to SGD 30000 (Singapore Dollar Thirty Thousand only) per month w.e.f. 1st September, 2016. **Value of transactions:** Monthly remuneration of SGD 15000 from 01.04.2016 to 31.08.2016 and Monthly remuneration of SGD 30000 from 01.09.2016 to 31.03.2017 from Greenply Trading Pte. Ltd., Singapore, wholly owned subsidiary (WOS) of the Company. **Total Value of transactions (FY16-17):** SGD 285000	24.05.2016	Nil

For and on behalf of Board of Directors

Shiv Prakash Mittal
Executive Chairman
(DIN: 00237242)

Place: Kolkata
Date: May 29, 2017

MR-3

SECRETARIAL AUDIT REPORT
FOR THE PERIOD FROM APRIL 1, 2016 TO MARCH 31, 2017
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

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

On the basis of verification of the secretarial compliance and on the basis of secretarial audit of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and as shown to us during the said audit and also based on the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion and to the best of our understanding, the Company has, during the audit period, that is to say, from April 01, 2016 to March 31, 2017 (hereinafter referred to as *"Audit Period"*), complied with the statutory provisions listed hereunder and also that the Company has adequate Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

We have examined the secretarial compliance based on the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 and as shown to us during our audit, according to the provisions of the following laws:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. Secretarial Standards 1 and 2 issued by ICSI;
3. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
4. The Depositories Act, 1996 and the Regulations and Bye-Laws framed thereunder;
5. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment and External Commercial Borrowings; **(FEMA)**
6. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,1992 (SEBI Act) viz :-
   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
   d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and
   e) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "**SEBI LODR**")
7. Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:
   a) Environment Protection Act, 1986
   b) The Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008

c) The Water (Prevention & Control of Pollution) Act, 1974 and Rules made thereunder

d) The Air (Prevention & Control of Pollution) Act, 1981

e) The Legal Metrology Act, 2009

f) Intellectual Property Acts

g) Foreign Trade Development and Regulation Act, 1992

h) Customs Act, 1962

i) Indian Boilers Act, 1923

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

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

1. *During the financial year 2016-17, the Company has spent ₹ 226.84 Lakhs towards CSR activities, which is less than 2% of the average net profit of last 3 financial years i.e. ₹ 307.26 Lakhs.*

WE FURTHER REPORT THAT:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Director and Independent directors.

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

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

4. We have not found any material event during the year under review which has major bearing on the Company's affairs in pursuance of any of the laws, rules, regulations or guidelines covered by this audit except as follows:

a) Incorporation of Greenply Middle East Limited, WOS in Dubai, UAE;

b) Incorporation of Greenply Gabon SA, step down WOS in Gabon, West Africa;

c) Incorporation of Greenply Holdings Pte. Ltd., WOS in Singapore;

d) Raising of money amounting to ₹ 49,99,99,925/- (Rupees Forty Nine Crores Ninety Nine Lakhs, Ninety Nine Thousand Nine Hundred and Twenty Five only) towards issue and allotment of 19,45,525 (Nineteen Lakhs Forty Five Thousand Five Hundred and Twenty Five only) equity shares through Qualified Institutional Placement (QIP);

e) Setting-up of a new unit adjacent to the existing unit of the Company in Bamanbore, Gujarat, for manufacturing of Decorative Plywood/Decorative Veneers; and

f) Setting-up of a new unit in Sandila Industrial Area, Sandila, Dist: Hardoi, Uttar Pradesh, for manufacturing of Plywood and its Allied Products.

PROCEDURE FOR MONITORING AND ENSURING COMPLIANCE WITH GENERAL LAWS

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

Our Secretarial Audit Report for the financial year ended 31st March, 2017 of even date is to be read along with the annexure to this letter.

Thanking you,

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

(Nidhi Bagri)
Proprietor
ACS No. 24765
CP. No. 9590

Date: May 26, 2017
Place: Kolkata

Annexure to Secretarial Audit Report

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

Our Secretarial Audit Report for the financial year ended 31st March, 2017 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Thanking you,

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

(Nidhi Bagri)
Proprietor
ACS No. 24765
CP. No. 9590

Date: May 26, 2017
Place: Kolkata

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2017

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	:	L20211AS1990PLC003484
ii)	Registration Date	:	28.11.1990
iii)	Name of the Company	:	GREENPLY INDUSTRIES LIMITED
iv)	Category/Sub-Category of the Company	:	PUBLIC COMPANY LIMITED BY SHARES
v)	Address of the registered office and contact details	:	MAKUM ROAD, TINSUKIA, ASSAM- 786125, PHONE: (033) 30515000, FAX: (033) 3051 5010
vi)	Whether listed company	:	☑Yes / ❑ No
vii)	Name, Address and Contact details of Registrar and Share Transfer Agent, if any	:	M/s. S. K. INFOSOLUTIONS PVT. LTD. 34/1A, SUDHIR CHATTERJEE STREET KOLKATA- 700 006 PHONE: (033) 2219-4815/6797 FAX: (033) 2219-4815

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No	Name and Description of main products/ services	NIC Code-2008 of the Product/ service	% to total turnover of the Company*
1	PLYWOOD	1621	72.47
2	MDF	1621	26.95

*Figures have been stated on the basis of the gross turnover of the Company.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable section
1	GREENPLY TRADING PTE. LTD., 10, ANSON ROAD, #24-02-A INTERNATIONAL PLAZA SINGAPORE – 079903	201323926C	SUBSIDIARY	100 %	2(87)(i)&(ii) OF THE COMPANIES ACT, 2013
2	GREENPLY ALKEMAL (SINGAPORE) PTE. LTD., 3, SHENTON WAY, #12-01A SHENTON HOUSE SINGAPORE - 068805	201413887Z	ASSOCIATE (JOINT VENTURE COMPANY)	50 % INVESTMENT THROUGH GREENPLY TRADING PTE. LTD., SINGAPORE	2(6) OF THE COMPANIES ACT, 2013
3	GREENPLY HOLDINGS PTE. LTD., 3, SHENTON WAY, #12-01A SHENTON HOUSE, SINGAPORE - 068805	201616966N	SUBSIDIARY	100 %	2(87)(i)&(ii) OF THE COMPANIES ACT, 2013
4	GREENPLY MIDDLE EAST LIMITED, 409, CITY TOWER 1, SHEIKH ZAYED ROAD, P.O. BOX 118767, DUBAI, UNITED ARAB EMIRATES	181478	SUBSIDIARY	100 %	2(87)(i)&(ii) OF THE COMPANIES ACT, 2013
5	GREENPLY GABON SA, PARCEL C-13, NKOK SEZ, BP 1024, LIBREVILLE, GABON	004-24628GU1	STEP DOWN SUBSIDIARY	100% THROUGH GREENPLY MIDDLE EAST LIMITED, DUBAI, UAE	2(87)(i)&(ii) OF THE COMPANIES ACT, 2013

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

i) Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	**Promoters**									
(1)	Indian									
a)	Individual/HUF	21593180	0	21593180	17.89	17793180	0	17793180	14.51	(3.38)
b)	Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c)	State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d)	Bodies Corp.	44781820	0	44781820	37.11	44781820	0	44781820	36.52	(0.59)
e)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (A) (1):-	66375000	0	66375000	55.00	62575000	0	62575000	51.03	(3.97)
(2)	Foreign									
a)	NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b)	Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c)	Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (A) (2):-	0	0	0	0.00	0	0	0	0.00	0.00
	Total shareholding of Promoter (A) = (A)(1)+(A)(2)	66375000	0	66375000	55.00	62575000	0	62575000	51.03	(3.97)
B.	**Public Shareholding**									
1.	Institutions									
a)	Mutual Funds	13978596	0	13978596	11.58	24839827	0	24839827	20.26	8.68
b)	Banks / FI	27267	0	27267	0.02	6504	0	6504	0.01	(0.01)
c)	Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d)	State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g)	FIIs	1973306	0	1973306	1.64	873417	0	873417	0.71	(0.93)
h)	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i)	Others: Foreign Portfolio Investors	0	0	0	0.00	14115200	0	14115200	11.51	11.51
Sub-total (B)(1):-		15979169	0	15979169	13.24	39834948	0	39834948	32.48	19.24
2.	Non-Institutions									
a)	Bodies Corp.									
i)	Indian	6722650	22000	6744650	5.59	6670543	17000	6687543	5.45	(0.14)
ii)	Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto ₹ 1 lakh	4511565	141630	4653195	3.86	5004704	126550	5131254	4.18	0.33
ii)	Individual shareholders holding nominal share capital in excess of ₹ 1lakh	10449854	0	10449854	8.66	4499501	0	4499501	3.67	(4.99)
c)	Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	NRI	12718185	0	12718185	10.54	202533	0	202533	0.17	(10.37)
	FCB	0	0	0	0.00	0	0	0	0.00	0.00
	Clearing Members	118356	0	118356	0.10	56741	0	56741	0.05	(0.05)
	Trust	3586	0	3586	0.00	0	0	0	0.00	0.00
	Foreign Companies	3639875	0	3639875	3.02	3639875	0	3639875	2.97	(0.05)

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	Sub-total (B)(2):-	**38164071**	**163630**	**38327701**	**31.76**	**20073897**	**143550**	**20217447**	**16.49**	**(15.27)**
	Total Public Shareholding (B)=(B)(1)+(B)(2)	**54143240**	**163630**	**54306870**	**45.00**	**59908845**	**143550**	**60052395**	**48.97**	**3.97**
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
	Grand Total (A+B+C)	**120518240**	**163630**	**120681870**	**100.00**	**122483845**	**143550**	**122627395**	**100.00**	**0.00**

ii) Shareholding of Promoters and Promoter Group:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in Share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / Encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / Encumbered to total shares	
1.	RAJESH MITTAL	3415900	2.83	0.00	3415900	2.79	0.00	(0.04)
2.	SHOBHAN MITTAL	739000	0.61	0.00	739000	0.60	0.00	(0.01)
3.	SHIV PRAKASH MITTAL AND SHOBHAN MITTAL ON BEHALF OF TRADE COMBINES, PARTNERSHIP FIRM	15502380	12.85	0.00	11702380	9.54	0.00	(3.31)
4.	SANIDHYA MITTAL	90000	0.07	0.00	90000	0.07	0.00	0.00
5.	SANTOSH MITTAL	1165900	0.97	0.00	1165900	0.95	0.00	(0.02)
6.	KARUNA MITTAL	680000	0.56	0.00	680000	0.55	0.00	(0.01)
7.	GREENPLY LEASING & FINANCE PVT. LTD.	13573655	11.25	0.00	13573655	11.07	0.00	(0.18)
8.	PRIME HOLDINGS PVT. LTD.	12042800	9.98	0.00	12042800	9.82	0.00	(0.16)
9.	S. M. MANAGEMENT PVT. LTD.	17717310	14.68	0.00	17717310	14.45	0.00	(0.23)
10.	VANASHREE PROPERTIES PVT. LTD.	1448055	1.20	0.00	1448055	1.18	0.00	(0.02)
11.	SAURABH MITTAL	0	0.00	0.00	0	0.00	0.00	0.00
12.	PARUL MITTAL	0	0.00	0.00	0	0.00	0.00	0.00
13.	SHIV PRAKASH MITTAL	0	0.00	0.00	0	0.00	0.00	0.00
14.	CHITWAN MITTAL	0	0.00	0.00	0	0.00	0.00	0.00
15.	MASTER ADITYA MITTAL	0	0.00	0.00	0	0.00	0.00	0.00
16.	EDUCATIONAL INNOVATIONS PVT. LTD.	0	0.00	0.00	0	0.00	0.00	0.00
17.	NIRANJAN INFRASTRUCTURE PVT. LTD.	0	0.00	0.00	0	0.00	0.00	0.00
18.	RS HOMCON LIMITED	0	0.00	0.00	0	0.00	0.00	0.00
19.	R. M. SAFEINVEST PVT. LTD.	0	0.00	0.00	0	0.00	0.00	0.00
20.	SHOWAN INVESTMENT PVT. LTD.	0	0.00	0.00	0	0.00	0.00	0.00
21.	BRIJBHUMI MERCHANTS PVT. LTD.	0	0.00	0.00	0	0.00	0.00	0.00
22.	BRIJBHUMI TRADEVIN PVT. LTD.	0	0.00	0.00	0	0.00	0.00	0.00
23.	MASTERMIND SHOPPERS PVT. LTD.	0	0.00	0.00	0	0.00	0.00	0.00
24.	DHOLKA PLYWOOD INDUSTRIES PVT. LTD.	0	0.00	0.00	0	0.00	0.00	0.00
25.	MITTALGREEN PLANTATIONS LLP	0	0.00	0.00	0	0.00	0.00	0.00
	Total	**66375000**	**55.00**	**0.00**	**62575000**	**51.03**	**0.00**	**(3.97)**

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

Sl. No.		Shareholding at the beginning of the year (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 - 31.03.2017)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	66375000 Equity shares of ₹1/- each	55.00%	-	-
	Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/bonus/sweat equity etc.):	NIL* (16.08.2016)	0.87%	66375000	54.13%
		3800000 (20.03.2017-sale)	3.10%	62575000	51.03%
	At the end of the year	-	-	62575000 Equity shares of ₹ 1/- each	51.03%

* Due to issue and allotment of 1945525 Equity Shares of the Company on 16.08.2016 through Qualified Institutional Placement to Qualified Institutional Buyers, the percentage of shares reduced from 55.00% to 54.13%.

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

SN	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 - 31.03.2017)	
1	**JWALAMUKHI INVESTMENT HOLDINGS**	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year	11884420	9.85	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/sweat equity etc.):	NIL* (16.08.2016)	-	11884420	9.69
	At the end of the year (or on the date of separation, if separated during the year)	-	-	11884420	9.69

SN	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 - 31.03.2017)	
2	**SBI MAGNUM GLOBAL FUND**	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/sweat equity etc.):	162698 (17.06.16 - Purchase)	0.13	162698	0.13
		214000 (24.06.16 - Purchase)	0.18	376698	0.31
		59566 (30.06.16 - Purchase)	0.05	436264	0.36
		36000 (01.07.16 - Purchase)	0.03	472264	0.39
		466 (08.07.16 - Purchase)	0.00	472730	0.39
		750000 (15.07.16 - Purchase)	0.62	1222730	1.01
		6240 (29.07.16 - Purchase)	0.01	1228970	1.02
		200266 (05.08.16 - Purchase)	0.17	1429236	1.19
		843215 (12.08.16 - Purchase)	0.70	2272451	1.89
		NIL* (16.08.2016)	-	2272451	1.86
		604052 (19.08.16 - Purchase)	0.49	2876503	2.35
		6657 (26.08.16 - Purchase)	0.01	2883160	2.36
		17383 (02.09.16 - Purchase)	0.01	2900543	2.37
		126006 (09.09.16 - Purchase)	0.10	3026549	2.47
		9916 (16.09.16 - Purchase)	0.01	3036465	2.48
		53685 (30.09.16 - Purchase)	0.04	3090150	2.52
		821315 (07.10.16 - Purchase)	0.67	3911465	3.19
		63573 (28.10.16 - Purchase)	0.05	3975038	3.24
		36427 (04.11.16 - Purchase)	0.03	4011465	3.27
		586500 (11.11.16 - Purchase)	0.48	4597965	3.75
		123019 (18.11.16 - Purchase)	0.10	4720984	3.85
		6035 (25.11.16 - Purchase)	0.00	4727019	3.85
		403913 (02.12.16 - Purchase)	0.33	5130932	4.18
		614128 (09.12.16 - Purchase)	0.50	5745060	4.68
		75000 (30.12.16 - Purchase)	0.06	5820060	4.74
		75000 (13.01.17 - Purchase)	0.06	5895060	4.80
		157409 (03.03.17 - Purchase)	0.13	6052469	4.93
		17878 (10.03.17 - Purchase)	0.01	6070347	4.94
		793 (17.03.17 - Purchase)	0.01	6071140	4.95
		5311912 (24.03.17 - Purchase)	4.33	11383052	9.28
		22000 (31.03.17 - Purchase)	0.02	11405052	9.30
	At the end of the year (or on the date of separation, if separated during the year)	-	-	11405052	9.30

SN	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 - 31.03.2017)	
3	**HDFC TRUSTEE COMPANY LIMITED**	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year	10856855	9.00	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/sweat equity etc.):	NIL* (16.08.2016)	-	10856855	8.85
		-8000 (11.11.16 - Sale)	-0.01	10848855	8.84
		125600 (20.01.17 - Purchase)	0.10	10974455	8.94
	At the end of the year (or on the date of separation, if separated during the year)	-	-	10974455	8.94
SN	**Name of the Shareholder**	**Shareholding at the beginning of the year (01.04.2016)**		**Cumulative Shareholding during the year (01.04.2016 - 31.03.2017)**	
4	**WESTBRIDGE CROSSOVER FUND, LLC**	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year	3639875	3.02	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /(decrease) (e.g. allotment / transfer / bonus/sweat equity etc.):	NIL* (16.08.2016)	-	3639875	2.97
	At the end of the year (or on the date of separation, if separated during the year)	-	-	3639875	2.97
SN	**Name of the Shareholder**	**Shareholding at the beginning of the year (01.04.2016)**		**Cumulative Shareholding during the year (01.04.2016 - 31.03.2017)**	
5	**HDFC STANDARD LIFE INSURANCE COMPANY LIMITED**	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year	1511605	1.25	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/sweat equity etc.):	699928 (08.04.16 – Purchase)	0.58	2211533	1.83
		72 (15.04.16 - Purchase)	0.00	2211605	1.83
		-15746 (29.04.16 - Sale)	-0.01	2195859	1.82
		1494 (06.05.16 - Purchase)	0.00	2197353	1.82
		-1 (13.05.16 - Sale)	0.00	2197352	1.82
		9306 (20.05.16 - Purchase)	0.01	2206658	1.83
		6185 (27.05.16 - Purchase)	0.01	2212843	1.84
		1945 (17.06.16 - Purchase)	0.00	2214788	1.84
		-195378 (24.06.16 - Sale)	-0.16	2019410	1.68
		2178 (24.06.16 - Purchase)	0.00	2021588	1.68
		314 (01.07.16 - Purchase)	0.00	2021902	1.68
		13920 (15.07.16 - Purchase)	0.01	2035822	1.69
		NIL* (16.08.2016)	-	2035822	1.66
		583657 (19.08.16 - Purchase)	0.48	2619479	2.14
		10789 (02.09.16 - Purchase)	0.01	2630268	2.15
		12264 (09.09.16 - Purchase)	0.01	2642532	2.16
		-10148 (16.09.16 - Sale)	-0.01	2632384	2.15
		3846 (23.09.16 - Purchase)	0.00	2636230	2.15
		102293 (07.10.16 - Purchase)	0.08	2738523	2.23
		6440 (14.10.16 - Purchase)	0.01	2744963	2.24
		69285 (28.10.16 - Purchase)	0.06	2814248	2.30
		25000 (04.11.16 - Purchase)	0.02	2839248	2.32
		187391 (18.11.16 - Purchase)	0.15	3026639	2.47
		12609 (25.11.16 - Purchase)	0.01	3039248	2.48
		927 (02.12.16 - Purchase)	0.00	3040175	2.48
		1509 (23.12.16 - Purchase)	0.00	3041684	2.48
		1326 (30.12.16 - Purchase)	0.00	3043010	2.48
		14403 (20.01.17 - Purchase)	0.01	3059280	2.49
		28 (27.01.17 - Purchase)	0.00	3059308	2.49
		130000 (03.02.17 - Purchase)	0.11	3189308	2.60
		-100000 (10.02.17 - Sale)	-0.08	3089308	2.52
		-32138 (17.02.17 - Sale)	-0.03	3057170	2.49
		35273 (24.02.17 - Purchase)	0.03	3092443	2.52
		-49135 (03.03.17 - Sale)	-0.04	3043308	2.48
		-13357 (10.03.17 - Sale)	-0.01	3029951	2.47
		167861 (24.03.17 - Purchase)	0.14	3197812	2.61
		104170 (31.03.17 - Purchase)	0.08	3301982	2.69
	At the end of the year (or on the date of separation, if separated during the year)	-	-	3301982	2.69
SN	**Name of the Shareholder**	**Shareholding at the beginning of the year (01.04.2016)**		**Cumulative Shareholding during the year (01.04.2016 - 31.03.2017)**	
6	**MANGAL BHANSHALI**	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year	1225000	1.02	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/sweat equity etc.):	NIL* (16.08.2016) -	-	1225000	1.00
	At the end of the year (or on the date of separation, if separated during the year)	-		1225000	1.00
SN	**Name of the Shareholder**	**Shareholding at the beginning of the year (01.04.2016)**		**Cumulative Shareholding during the year (01.04.2016 - 31.03.2017)**	
7	**KOTAK MAHINDRA OLD MUTUAL LIFE INSURANCE**	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year	1633023	1.35	-	-
	Date wise Increase / (Decrease) in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/sweat equity etc.):	173346 (08.04.16 - Purchase)	0.14	1806369	1.49
		206373 (15.04.16 - Purchase)	0.17	2012742	1.66
		117124 (20.05.16 - Purchase)	0.10	2129866	1.76
		37024 (27.05.16 - Purchase)	0.03	2166890	1.79
		-94656 (17.06.16 - Sale)	-0.08	2072234	1.71
		-24698 (24.06.16 - Sale)	-0.02	2047536	1.69
		-8880 (30.06.16 - Sale)	-0.01	2038656	1.68
		-66415 (01.07.16 - Sale)	-0.06	1972241	1.62
		-50000 (22.07.16 - Sale)	-0.04	1922241	1.58
		40064 (05.08.16 - Purchase)	0.03	1962305	1.61
		NIL* (16.08.2016)	-	1962305	1.60
		-4692 (30.09.16 - Sale)	0.00	1957613	1.60
		-151912 (28.10.16 - Sale)	-0.12	1805701	1.48
		-10494 (04.11.16 - Sale)	-0.01	1795207	1.47
		-43715 (11.11.16 - Sale)	-0.04	1751492	1.43
		-5793 (18.11.16 - Sale)	0.00	1745699	1.43
		-205395 (25.11.16 - Sale)	-0.17	1540304	1.26
		-140167 (02.12.16 - Sale)	-0.11	1400137	1.15
		-25892 (09.12.16 - Sale)	-0.02	1374245	1.13
		-75000 (06.01.17 - Sale)	-0.06	1299245	1.07
		-25000 (20.01.17 - Sale)	-0.01	1274245	1.04
		-11019 (27.01.17 - Sale)	-0.01	1263226	1.03
		22498 (03.02.17 - Purchase)	0.02	1285724	1.05
		120809 (31.03.17 - Sale)	-0.10	1164915	0.95
	At the end of the year (or on the date of separation, if separated during the year)	-	-	1164915	0.95

SN	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 - 31.03.2017)	
8	**VALLABH ROOPCHAND BHANSHALI**	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year	1157850	0.96	-	-
	Date wise Increase / (Decrease) in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/sweat equity etc.):	NIL* (16.08.2016)	-	1157850	0.94
	At the end of the year (or on the date of separation, if separated during the year)	-	-	1157850	0.94
SN	**Name of the Shareholder**	**Shareholding at the beginning of the year (01.04.2016)**		**Cumulative Shareholding during the year (01.04.2016 - 31.03.2017)**	
9	**LATA BHANSHALI**	**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	0.83	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/sweat equity etc.):	NIL* (16.08.2016)	-	1000000	0.82
	At the end of the year (or on the date of separation, if separated during the year)	-	-	1000000	0.82
SN	**Name of the Shareholder**	**Shareholding at the beginning of the year (01.04.2016)**		**Cumulative Shareholding during the year (01.04.2016 - 31.03.2017)**	
10	**AKASH BHANSHALI**	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year	1036750	0.86	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/sweat equity etc.):	-63359 (22.07.16 - Sale)	0.05	973391	0.81
		NIL* (16.08.2016)	-	973391	0.79
		-100000 (09.09.16 - Sale)	0.08	873391	0.71
	At the end of the year (or on the date of separation, if separated during the year)	-	-	873391	0.71
SN	**Name of the Shareholder**	**Shareholding at the beginning of the year (01.04.2016)**		**Cumulative Shareholding during the year (01.04.2016 - 31.03.2017)**	
11	**ASHISH DHAWAN#**	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year	4085515	3.39	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/sweat equity etc.):	-34965 (01.04.16 - Sale)	-0.03	4050550	3.36
		-1550550 (08.04.16 - Sale)	-1.28	2500000	2.08
		-2500000 (27.05.16 - Sale)	-2.08	-	-
	At the end of the year (or on the date of separation, if separated during the year)	-	-	NIL	NIL
SN	**Name of the Shareholder**	**Shareholding at the beginning of the year (01.04.2016)**		**Cumulative Shareholding during the year (01.04.2016 - 31.03.2017)**	
12	**IDFC CLASSIC EQUITY FUND#**	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year	1465545	1.21	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/sweat equity etc.):	-64000 (13.05.16 - Sale)	-0.05	1401545	1.16
		-18600 (27.05.16 - Sale)	-0.02	1382945	1.14
		-22945 (17.05.16 - Sale)	-0.02	1360000	1.12
		-8000 (24.06.16 - Sale)	-0.01	1352000	1.11
		-4059 (15.07.16 - Sale)	0.00	1347941	1.11
		NIL* (16.08.2016)	-	1347941	1.10
		-93127 (30.09.16 - Sale)	-0.08	1254814	1.02
		-2814 (07.10.16 - Sale)	0.00	1252000	1.02
		-613496 (04.11.16 - Sale)	-0.50	638504	0.52
		-1828 (11.11.16 - Sale)	0.00	636676	0.52
		-17431 (25.11.16 - Sale)	-0.01	619245	0.51
		-119245 (02.12.16 - Sale)	0.10	500000	0.41
	At the end of the year (or on the date of separation, if separated during the year)	-	-	500000	0.41

SN	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 - 31.03.2017)	
13	**MAX LIFE INSURANCE COMPANY LIMITED#**	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year	1089090	0.90	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/sweat equity etc.):	-486521 (08.04.16 - Sale)	-0.40	602569	0.50
		-67304 (15.04.16 - Sale)	-0.06	535265	0.44
		-2520 (06.05.16 - Sale)	0.00	532745	0.44
		-2100 (13.05.16 - Sale)	0.00	530645	0.44
		NIL* (16.08.2016)	-	530645	0.43
	At the end of the year (or on the date of separation, if separated during the year)	-	-	530645	0.43

Ceased to be in the list of Top 10 shareholders as on 31.03.2017. The same have been reflected above since shareholders were among the Top 10 shareholders as on 01.04.2016.

* Due to issue and allotment of 1945525 Equity Shares of the Company on 16.08.2016 through Qualified Institutional Placement to Qualified Institutional Buyers, the percentage of shares reduced without change in number of shareholdings.

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year (01.04.2016)		Cumulative Shareholding during the year (01.04.2016- 31.03.2017)	
	For Each of the Directors and KMP	**No. of shares**	**% of total shares of the Company**	**No. of shares**	**% of total shares of the Company**
1.	**RAJESH MITTAL**				
	At the beginning of the year	3415900	2.83	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	Nil* (16.08.2016)	-	3415900	2.79
	At the End of the year	-	-	3415900	2.79
Sl. No.		**Shareholding at the beginning of the year (01.04.2016)**		**Cumulative Shareholding during the year (01.04.2016 - 31.03.2017)**	
	For Each of the Directors and KMP	**No. of shares**	**% of total shares of the Company**	**No. of shares**	**% of total shares of the Company**
2.	**SHOBHAN MITTAL**				
	At the beginning of the year	739000	0.61	-	-
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	Nil* (16.08.2016)	-	739000	0.60
	At the End of the year	-	-	739000	0.60
Sl. No.		**Shareholding at the beginning of the year (01.04.2016)**		**Cumulative Shareholding during the year (01.04.2016- 31.03.2017)**	
	For Each of the Directors and KMP	**No. of shares**	**% of total shares of the Company**	**No. of shares**	**% of total shares of the Company**
3.	**SHIV PRAKASH MITTAL**				
	At the beginning of the year	NIL	NIL	-	-
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	NIL	NIL
Sl. No.		**Shareholding at the beginning of the year (01.04.2016)**		**Cumulative Shareholding during the year (01.04.2016 - 31.03.2017)**	
	For Each of the Directors and KMP	**No. of shares**	**% of total shares of the Company**	**No. of shares**	**% of total shares of the Company**
4.	**MOINA YOMETH KONYAK**				
	At the beginning of the year	NIL	NIL	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	NIL	NIL
Sl. No.		**Shareholding at the beginning of the year (01.04.2016)**		**Cumulative Shareholding during the year (01.04.2016 - 31.03.2017)**	
	For Each of the Directors and KMP	**No. of shares**	**% of total shares of the Company**	**No. of shares**	**% of total shares of the Company**
5.	**SUSIL KUMAR PAL**				
	At the beginning of the year	NIL	NIL	-	-
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	NIL	NIL

Sl. No.		Shareholding at the beginning of the year (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 - 31.03.2017)	
	For Each of the Directors and KMP	**No. of shares**	**% of total shares of the Company**	**No. of shares**	**% of total shares of the Company**
6.	**VINOD KUMAR KOTHARI**				
	At the beginning of the year	NIL	NIL	-	-
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	NIL	NIL
Sl. No.		**Shareholding at the beginning of the year (01.04.2016)**		**Cumulative Shareholding during the year (01.04.2016 - 31.03.2017)**	
	For Each of the Directors and KMP	**No. of shares**	**% of total shares of the Company**	**No. of shares**	**% of total shares of the Company**
7.	**ANUPAM KUMAR MUKERJI**				
	At the beginning of the year	NIL	NIL	-	-
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	NIL	NIL
Sl. No.		**Shareholding at the beginning of the year (01.04.2016)**		**Cumulative Shareholding during the year (01.04.2016 - 31.03.2017)**	
	For Each of the Directors and KMP	**No. of shares**	**% of total shares of the Company**	**No. of shares**	**% of total shares of the Company**
8.	**SONALI BHAGWATI DALAL**				
	At the beginning of the year	NIL	NIL	-	-
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	NIL	NIL
Sl. No.		**Shareholding at the beginning of the year (01.04.2016)**		**Cumulative Shareholding during the year (01.04.2016 - 31.03.2017)**	
	For Each of the Directors and KMP	**No. of shares**	**% of total shares of the Company**	**No. of shares**	**% of total shares of the Company**
9.	**UPENDRA NATH CHALLU**				
	At the beginning of the year	NIL	NIL	-	-
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	NIL	NIL
Sl. No.		**Shareholding at the beginning of the year (01.04.2016)**		**Cumulative Shareholding during the year (01.04.2016 - 31.03.2017)**	
	For Each of the Directors and KMP	**No. of shares**	**% of total shares of the Company**	**No. of shares**	**% of total shares of the Company**
10.	**KAUSHAL KUMAR AGARWAL**				
	At the beginning of the year	NIL	NIL	-	-
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	NIL	NIL
Sl. No.		**Shareholding at the beginning of the year (01.04.2016)**		**Cumulative Shareholding during the year (01.04.2016 - 31.03.2017)**	
	For Each of the Directors and KMP	**No. of shares**	**% of total shares of the Company**	**No. of shares**	**% of total shares of the Company**
11.	**VISHWANATHAN VENKATRAMANI**				
	At the beginning of the year	10	0.00	-	-
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	10	0.00

* Due to issue and allotment of 1945525 Equity Shares of the Company on 16.08.2016 through Qualified Institutional Placement to Qualified Institutional Buyers, the percentage of shares reduced without change in number of shareholdings.

V. INDEBTEDNESS

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

(₹ in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	16867.96	8982.57	-	25850.53
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	21.73	8.89	-	30.62
Total (i+ii+iii)	**16889.69**	**8991.46**	**-**	**25881.15**
Change in Indebtedness during the financial year				
Addition	16878.54	-	-	16878.54
Reduction	-	4925.13	-	4925.13
Net Change	16878.54	4925.13	-	11953.41
Indebtedness at the end of the financial year				
i) Principal Amount	33695.87	4055.87	-	37751.74
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	72.36	10.46	-	82.82
Total (i+ii+iii)	**33768.23**	**4066.33**	**-**	**37834.56**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in lacs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total amount
		Shiv Prakash Mittal	Rajesh Mittal	Shobhan Mittal	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	220.80	211.20	100.00	532.00
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	Nil	Nil	7.29	7.29
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission - as 1.50% of profit -others, specify	286.42 Nil	286.42 Nil	286.42 Nil	859.26 Nil
5.	Others – Provident Fund	24.34	22.46	12.00	58.80
	Total (A)	**531.56**	**520.08**	**405.71**	**1457.35**
	Ceiling as per the Act	₹ 2103.77 lacs (being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)			

B. Remuneration to other directors:

(₹ in lacs)

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
1.	Independent Directors	Susil Kumar Pal	Anupam Kumar Mukerji	Vinod Kumar Kothari	Upendra Nath Challu	Sonali Bhagwati Dalal	-
	Fee for attending board/ committee meetings	6.70	5.30	6.50	4.50	2.00	25.00
	Commission	10.00	10.00	10.00	10.00	10.00	50.00
	Others, please specify	--	--	--	--	--	--
	Total(1)	**16.70**	**15.30**	**16.50**	**14.50**	**12.00**	**75.00**
2.	Other Non-Executive Directors	Moina Yometh Konyak	-	-	-	-	-
	Fee for attending board/ committee meetings	0.40	--	--	--	--	0.40
	Commission	10.00	--	--	--	--	10.00
	Others, please specify	--	--	--	--	--	--
	Total(2)	**10.40**	**--**	**--**	**--**	**--**	**10.40**
	Total(B)=(1+2)	**27.10**	**15.30**	**16.50**	**14.50**	**12.00**	**85.40***
	Total Managerial Remuneration						**1542.75**
	Overall Ceiling as per the Act	₹ 2314.15 lacs (being 11% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)					

* Ceiling as per the Act: ₹ 210.38 lacs (being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)

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

(₹ in lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Chief Financial Officer	Company Secretary	Total
1.	Gross salary			
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	72.25	35.85	108.10
	b. Value of perquisites u/s 17(2) of the Income-tax Act, 1961	Nil	Nil	Nil
	c. Profits in lieu of salary under section 17(3) of the IncomeTax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission			
	- as % of profit	Nil	Nil	Nil
	- others, specify	Nil	Nil	Nil
5.	Others – Provident Fund	3.98	2.04	6.02
	Total	**76.23**	**37.89**	**114.12**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

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

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

(I) DETAILS OF LOANS:

Sl No.	Date of loan	Date of Board Resolution	Date of Special Resolution (if any)	Name of borrower	Purpose for which the loan is proposed to be utilized by the recipient	Amount (USD in Lacs)	Amount (₹ in Lacs) *	Rate of interest	Security	Prevailing yield of 1/3/5/10 year Government Security at the time of extending the loan
1	17-11-2016	24-10-2016	Not Applicable	Greenply Middle East Ltd.	For business requirements.	5.00	338.94	12 months USD LIBOR plus 500 bps p.a.	Nil	Yield of 5 year Bond is 6.861 %
2	30-12-2016	24-10-2016	Not Applicable	Greenply Middle East Ltd.	For business requirements.	2.00	135.94	12 months USD LIBOR plus 500 bps p.a.	Nil	Yield of 5 year Bond is 6.861 %

* Represents amount as on the date of transaction

(II) DETAILS OF INVESTMENTS:

Sl No.	Date of Investment	Date of Board Resolution	Date of Special Resolution (if any)	Name of investee	Purpose for which the proceeds from investment is proposed to be utilized by the recipient	Amount (USD in Lacs)	Amount (₹ in Lacs)	Expected rate of return
1	08-07-2016	23-07-2013 & 04-11-2014	Not Applicable	Greenply Trading Pte. Ltd.	For business requirements.	5.00	336.48	Not Applicable
2	01-08-2016	24-05-2016	Not Applicable	Greenply Middle East Ltd.	For business requirements.	2.72	181.74	Not Applicable
3	08-08-2016	24-05-2016	Not Applicable	Greenply Middle East Ltd.	For business requirements.	15.00	1000.99	Not Applicable
4	22-08-2016	24-05-2016	Not Applicable	Greenply Middle East Ltd.	For business requirements.	2.71	182.06	Not Applicable
5	31-08-2016	24-05-2016	Not Applicable	Greenply Holdings Pte. Ltd.	For business requirements.	0.25	16.74	Not Applicable
6	14-09-2016	24-05-2016	Not Applicable	Greenply Middle East Ltd.	For business requirements.	6.81	455.60	Not Applicable
7	29-09-2016	23-07-2013 & 04-11-2014	Not Applicable	Greenply Trading Pte. Ltd.	For business requirements.	5.00	334.19	Not Applicable
8	28-10-2016	23-07-2013 & 04-11-2014	Not Applicable	Greenply Trading Pte. Ltd.	For business requirements.	11.00	734.72	Not Applicable
9	20-03-2017	24-01-2017	Not Applicable	Greenply Trading Pte. Ltd.	For business requirements.	3.50	228.86	Not Applicable
Total						**52.00**	**3471.37**	

(III) DETAILS OF GUARANTEE PROVIDED

Sl No.	Date of providing security/ guarantee	Date of Board Resolution	Date of Special Resolution (if any)	Name of receipent	Purpose for which the security/guarantee is proposed to be utilized by the recipient	Amount (USD in Lacs)	Amount (₹ in Lacs) #	Commission
1	25-01-2017	02-12-2016	Not Applicable	Greenply Middle East Ltd.	For working capital requirements	10.00	650.23	2% p.a.
2	16-09-2016	25-05-2015	Not Applicable	Greenply Alkemal (Singapore) Pte. Ltd.	For working capital requirements	15.00	975.34	2% p.a.

Represents amount as on the year end rate

Amount outstanding as at 31st March, 2017

Particulars	Amount (₹ In lacs)
Loans given	474.88
Investments made	3471.37
Guarantee given	1625.57

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

A. Conservation of energy

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

- Operation of moving floor for chip storage and distribution is rationalized by installing additional Hydraulic Power pack to meet with optimum chips requirement for production by operating only one moving floor in place of two moving floors.
- All moving floors control philosophy modified from position control to pressure control to conserve electric power consumption as well excess heating of hydraulic oil.
- VFD installed for waste water in feed to ETP for controlled flow according to hydraulic flow of ETP to ensure optimum capacity utilization of ETP operation.
- Automation for level control in cooling water circuit for auto control on makeup water in the basin.
- For indication / sensing of missing rolling rod in press a mechanical limit switch is installed but it gives many a times a false alarm and trip the press frequently. To avoid such false alarm and frequent stop / start of the press the mechanical system is replaced by electronic proximity switch.
- Sanding machine in feed controls modified with new generation proximity sensor for precise control of raw board in feed gap and achieved higher throughput with the same installed power.
- Operating speed of Conti press for MDF enhanced to achieve higher production capacity for thin board by modifying drives cooling system.
- Periodic check of the electric distribution network for safe and efficient performance.
- Company adopted phase wise replacement of conventional lighting fittings by LED lamps for steps towards energy conservation.
- Predictive and Preventive maintenance schedule for proactive measures to optimize energy usage and available time of machines.

(b) Additional investments and proposals, if any

It is a continuous process to explore the avenues for energy conservation. The Company is considering additional investments and proposals for the same.

(c) Impact of measures taken

Energy conservation measures stated above have resulted in improvement of productivity and ease in operations.

(d) Total energy consumption and energy consumption per unit of production

Particulars relating to energy consumption and other details are not being provided because the Company is not on the list of industries specified for this purpose.

B. Technology absorption

a) Research and development (R&D)

1. Areas of R&D activities

- The Company is carrying out research to study the feasibility of process atomization for better productivity at optimum cost of production.
- The Company is focusing on R&D activities for developing new products, designs, processes and improvement of manufacturing systems in existing products/process.
- The Company is implementing the modified resin injection system for effective distribution of resin on the wood fiber to achieve consistent product quality at optimum resin consumption.
- The company propose for installation of ARGOS inspection system for quality control of MDF board production.
- The Company proposes to manufacture exterior quality MDF boards in E1 grade.
- The Company is working routinely on to control/ reduce formaldehyde emission from plywood and MDF by improved glue formulation.
- The Company is developing process for improving surface quality of plywood.
- The Company is developing varied type of door frames and door shutters.

2. Benefits of the R&D exercises

- Improved product quality and increased timber recovery.
- Cost reduction, technology up-gradation.
- Strengthened market leadership status.
- Reduced manufacturing and delivery time.
- Catering to changing/unique needs of customers.

3. Future strategy

- Emphasizing on the R&D for making new products and creating better processes.
- Improve the quality of existing products.
- Improve interaction with research institutions.
- Improve properties of materials.

4. Expenditure on R&D

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

b) Technology absorption, adoption and innovation

1. Steps adopted

- Setting up a quality assurance cell to ensure the dispatch of goods produced under strict process control.
- Product certification by international regulatory authority for exports.
- Participating in national and international conferences, seminars and exhibitions.
- Analyzing feedback from users to improve products and services.

2. Benefits of the steps adopted

- Improved product quality, leading to rise in the Company's brand value.
- Expanded product range.
- Improved processes and product quality, performance and reliability to attain global standards and maintaining the leadership position.

3. Technology improvement

The Company did not have the need to import technology or foreign technical collaborations in the last five years but company had guidance from technical experts as well from the foreign machinery suppliers.

c) Foreign exchange earnings and outgo

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

Foreign exchange earnings and outgo:

Earnings and outgo:

(₹ in lacs)

		2016-2017	2015-2016
Earnings on account of:			
a)	FOB value of exports	1666.27	309.41
Total		**1666.27**	**309.41**
Outgo on account of:			
a)	Raw materials	14085.02	17840.03
b)	Capital goods	12046.90	672.27
c)	Traded goods	123.49	1189.79
d)	Stores & spare parts	1559.60	1014.44
Total		**27815.01**	**20716.53**

For and on behalf of the Board of Directors

Shiv Prakash Mittal
Executive Chairman
(DIN: 00237242)

Place: Kolkata
Date: May 29, 2017

REPORT ON THE CSR ACTIVITIES FORMING PART OF THE BOARD'S REPORT FOR THE YEAR ENDED ON 31ST MARCH, 2017

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

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

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

Vision: We envision a future where people all over our Country – even in the remote areas – have the opportunity to achieve their full potential in all aspects and improving lives in pursuit of collective development and environmental sustainability. This vision should encompass all CSR activities of the Company.

Mission: The Company's mission is primarily to pursue initiatives directed towards enhancing welfare measures of the society based on long term social and environmental consequences of the CSR activities including dedicating time and resources towards social initiatives to ensure equal opportunities and access to everyone in the spheres of education, vocation and healthcare, in order to empower them to achieve their full potential.

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

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

1. Promoting education including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
2. Ensuring animal welfare;
3. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;
4. Promoting gender equality, empowering women, setting-up homes and hostels for women and orphans;
5. Rural development projects.
6. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;

Name of the projects/ programs:

a. **Sponsoring Girl Child Education**
Greenply is supporting deserving and talented girls from economically weaker sections of the society, through Udayan Care, West Bengal. Udayan's Shalini Fellowship Programme is a unique academic excellence and personality development programme, which aims to empower girls and women. Its uniqueness lies in the fact that it goes beyond being a usual Scholarship Programme, by not only supporting higher education but also providing regular mentoring and leadership development and inculcating a sense of social responsibility of selected talented girls. During the year under review Greenply Foundation has contributed ₹ 2,80,000/- to Udayan Care, West Bengal.

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

c. **Project relating to vocational Skill Development in the domain of Carpentry**
The project encompasses training to carpenters on skills for new-age wood products, carpentry tools and techniques.

The aim of the project is to:
1. Improve livelihood opportunities for existing carpenters
2. Create a talent pool for modern market requirements
3. Promote sustainable trade practices

d. **Nutritious daily meals for Children**
Greenply is sponsoring nutritious daily meals for Children of Tiljala, Topsia and its adjoining areas in Kolkata, who are taking education and skill development activities through EKTARA, a Kolkata based Charitable Trust. During the year under review Greenply Foundation has contributed ₹ 21,28,760/- to EKTARA.

e. **Construction of General Sulabh Sochalaya and Toilets at Government Schools in Lachhmangarh, Rajasthan**
Greenply has contributed towards Construction of General Sulabh Sochalaya and Toilets at Government Schools in Lachhmangarh, Rajasthan through Lachhmangarh Nagrik Parishad, Lachhmangarh, Rajasthan, a Kolkata based Charitable Trust. During the year under review Greenply Foundation has contributed ₹ 29,67,000/- to Lachhmangarh Nagrik Parishad.

f. **Comprehensive free and/or subsidized medical services/treatment of high quality to the destitute and needy people**
Greenply has contributed towards Comprehensive free and/or subsidized medical services/treatment of high quality to the destitute and needy people through Shrimad Rajchandra Hospital situated at Opposite to S.T. Bus Depot., Dharampur, Dist: Valsad, Gujarat-396 050 (Managed and controlled by Shrimad Rajchandra Sarvamangal Trust, Gujarat). During the year under review Greenply Foundation has contributed ₹ 1,50,00,000/- to Shrimad Rajchandra Sarvamangal Trust.

g. **Plantation activities**
The Company is taking plantation activities covered under CSR project in Mon (Nagaland), Pantnagar (Uttarakhand), Morbi (Gujarat), 24 Paragana South (West Bengal) towards Ensuring environmental sustainability.

Web link to the CSR Policy of the Company:
http://www.greenply.com/images/pdf/Corporate_Social_Responsibility_Policy.pdf

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

a. Mr. Rajesh Mittal, Managing Director
b. Mr. Vinod Kumar Kothari, Independent Director
c. Mr. Shobhan Mittal, Joint Managing Director & CEO
d. Mr. Upendra Nath Challu, Independent Director

3. Average net profit of the Company for last three financial years: ₹ 15362.99 lacs

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): ₹ 307.26 lacs

5. Details of CSR spent during the financial year:

(a) Total amount to be spent for the financial year: ₹ 307.26 lacs

(b) Amount unspent, if any: ₹ 80.42 lacs

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

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

1	2	3	4	5	6	7	8
Sr. No	CSR Project or Activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period i.e. 01.04.2016 to 31.03.2017	Amount spent: Direct or through implementing agency
1.	Supporting of a unique academic excellence and personality development programme for deserving and talented girls from weaker socio economic background, aiming to turn them into empowered and dignified woman or 'Shalinis'.	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Udayan Shalini Fellowship Programme in Kolkata and neighbouring Districts of West Bengal	₹ 13,20,000 for the period 2014-15 to 2018-19	Direct expenditure: ₹2,80,000	₹ 2,80,000	Through Udayan Care, West Bengal
2.	Mobile Medical Van (MMV) to provide basic diagnostic, medicine, curative, referral and counselling services to the rural population, with the aim of improving access to medical services in the remote areas as well as raising the level of awareness among the community towards healthy and hygienic living.	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water	Healthcare Project through Mobile Medical Van (MMV) in the nearby villages of Tizit, Dist: Mon, Nagaland	₹ 1,36,58,000 for the period 2015-16 to 2017-18	Direct expenditure: ₹ 36,73,847	₹ 36,73,847	Direct
3.	Project relating to vocational Skill Development in the domain of Carpentry	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Delhi, Kolkata and Bhopal	₹ 1,46,81,164 for the period 2015-16 (January 2016 to March 2016) to 2017-18	Direct expenditure: ₹ 45,36,756	₹ 45,36,756	Direct
4.	Nutritious daily meals for Children and one time expansion of Kitchen considering number of children for their education etc.	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water	Nutritious daily meals for Children of Tiljala ,Topsia and its adjoining areas in Kolkata	₹ 60,66,750 for the period 2015-16 (October, 2015 to March, 2016) to 2017-18	Direct expenditure: ₹ 21,28,760	₹ 21,28,760	Through Ektara, Kolkata, West Bengal
5.	Construction of General SulabhSochalaya and Toilets at Government Schools in Lachhmangarh, Rajasthan.	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water	Lachhmangarh, Rajasthan	₹30,00,000 for the period 2016-17	Direct expenditure: ₹ 17,62,000	₹ 17,62,000	Through Lachhmangarh Nagrik Parishad, Lachhmangarh, Rajasthan
6.	Comprehensive free and subsidized medical services/treatment of high quality to the destitute and needy people	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water	Through Shrimad Rajchandra Hospital situated at Opposite to S.T. Bus Depot., Dharampur, Dist: Valsad, Gujarat-396 050	₹1,50,00,000 for the period 2016-17	Direct expenditure: ₹ 13,31,000	₹ 13,31,000	Through Shrimad Rajchandra Sarvamangal Trust, Gujarat
7.	Administrative Expenses in respect of CSR activities	Salary of a CSR Staff, Bank Charges, Auditors Remuneration and General Expenses	-	-	₹ 4,88,850	₹ 4,88,850	Direct
8.	Capacity build-up Expenses up to 5% of total CSR Expenses	Consultants Fees	-	-	₹ 6,90,701	₹ 6,90,701	Direct
	TOTAL (A)				**₹ 1,48,91,914**	**₹ 1,48,91,914**	

Directly by the Company:

1	2	3	4	5	6	7	8
Sr. No	CSR Project or Activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period i.e. 01.04.2016 to 31.03.2017	Amount spent: Direct or through implementing agency
1	Plantation activities	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;	Mon (Nagaland), Pantnagar (Uttarakhand), Morbi (Gujarat), 24 Paragana South (West Bengal)	₹1,50,00,000 for the period 2016-2017 and 2017-2018	Direct expenditure: ₹ 77,92,671	₹ 77,92,671	Direct
	TOTAL (B)				**₹ 77,92,671**	**₹ 77,92,671**	
	TOTAL (A+B)				**₹ 2,26,84,585**	**₹ 2,26,84,585**	

About the implementing agencies:

a. Udayan Care, West Bengal: Udayan Care, West Bengal, a Charitable Trust having its office at Alok Kunja, 83 Ballygunge Gardens, Kolkata-700 029, engaged in supporting education and grooming girl students from economically weaker section of society.

b. Ektara: Ektara, a Charitable Trust having its office at 31/1, Topsia Road (South), Kolkata-700 046, engaged in providing education opportunity along with nutritious daily meals and awareness on health and hygiene and livelihood training to the woman and children of Tiljala, Topsia and its adjoining areas in Kolkata.

c. Lachhmangarh Nagrik Parishad, a Charitable Trust having its office at P-41, Princep Street, 5th Floor, Room No. 524, Kolkata-700 072, engaged in carrying out various charitable activities in the area of health care, sanitation and other related activities.

d. Shrimad Rajchandra Sarvamangal Trust having its Headquarters at Shrimad Rajchandra Hospital, Dharampur-396 050, Dist: Valsad, Gujarat and Office at Bhupati Chambers, 3rd Floor, Mathew Road, Opera House, Mumbai 400 004 engaged in carrying out various charitable activities in the area of health care and other related activities.

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

During the year under review, the Company has undertaken CSR activities directly and through its Trust namely GREENPLY FOUNDATION. The Trust has utilized unspent amount lying with it as on 31.03.2016 for the said CSR activities. Further, to maintain the integrity of CSR expenditure, the Company has transferred ₹ 240.00 lacs to the Trust during FY 2016-17. The Company has spent ₹ 226.84 lacs towards CSR activities (directly and through Trust-Greenply Foundation) during the year, which is less than the minimum allocation of CSR being 2% of the average net profit of last 3 financial years amounting to ₹ 307.26 lacs in total. Though the Company has actually contributed more than the aforesaid amount of minimum allocation during FY 2016-2017 , however, the same could not be fully utilized by few Implementing Agencies as on 31.03.2017. The Trust has also earned ₹ 7.01 lacs on temporary investment with Banks during FY 2016-17. The unutilized fund lying with the Trust as on 31.03.2017 amounting to ₹ 144.84 lacs (net of liabilities of ₹ 0.45 lacs) and unutilized fund lying with the Implementing Agencies as on 31.03.2017 will be used for CSR activities along with fresh funding, if any, from the Company, during FY 2017-18. The Company is committed to the underlying intent of CSR and is optimistic of meeting its obligations under section 135 of the Companies Act, 2013 and thereby make a positive impact on the society.

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

Signing both on behalf of the Company and the CSR Committee

Rajesh Mittal
Chairman of CSR Committee & Managing Director
(DIN: 00240900)

Place: Kolkata
Date: May 29,2017

Information as per Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Board's Report for the year ended on 31st March, 2017

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

Sl. No.	Name of Employee	Designation	Remuneration (₹ in lacs)	Nature of Employment Permanent / Otherwise	Qualification	Experience	Date of commencement of Employment	Age Yrs.	The Last Employment held before joining the Company	% of Equity shares held (required only for non-directors)	Whether such employee is a relative of any director or manager of the company
1	Shiv Prakash Mittal	Executive Chairman	531.56	Permanent	B.Sc.	44 yrs.	01.02.2007	68 yrs.	Himalaya Granites Ltd.	N.A.	Yes
2	Rajesh Mittal	Managing Director	520.08	Permanent	B.Com.	33 yrs.	01.01.1991	54 yrs.	Not Applicable	N.A.	Yes
3	Shobhan Mittal	Joint Managing Director & CEO	405.71	Permanent	BBA	12 yrs.	01.09.2006	37 yrs.	Worthy Plywoods Ltd.	N.A.	Yes
4	Yogesh Arora	Country Head-MDF (EPD)	134.13	Permanent	B.Sc. (Maths)	42 yrs.	04.04.2009	60 yrs.	Bajaj Eco-Tec Products Ltd.	Nil	No
5	Subir Palit	Country Head - Sales & Marketing (PBD)	46.00*	Permanent	B.Sc. (Statistics) (Hons.), MBA (Marketing), PGDFT, PGCGM	31 yrs.	03.10.2016	56 yrs.	Sintex Industries Limited	Nil	No
6	Vishwanathan Venkatramani	Chief Financial Officer	82.94	Permanent	CA	30 yrs.	01.07.1995	53 yrs.	MKJ Enterprises	0.00 (10 equity shares)	No
7	Ashok Parekh	Chief Executive Engineer (EPD)	75.73	Permanent	Diploma in Civil Eng.	38 Yrs.	01.04.2008	59 yrs.	Doshion Limited	Nil	No
8	Subhash Kumar Aggarwal	Senior Vice-President (EPD)	70.84	Permanent	Post Diploma in Paper Technology -AMIE in Chemical Engineering	36 Yrs.	21.06.2010	57 yrs.	Nuchem Limited	Nil	No
9	Jinendra Kumar Jain	Vice President-Raw Material (EPD)	70.56	Permanent	M.Sc. (Zoology), SFS (1984-86)	35 yrs.	02.09.2013	56 yrs.	Andhra Pradesh Paper Mills Limited	Nil	No
10	Atul Dixit	Business Head-Greenteriors	70.00	Permanent	M.A (Eng.Litt)/ EGMP (IIM-B)	27 yrs.	09.09.2015	51 yrs.	Ashirwad Pipes Pvt.Ltd.	Nil	No

* Remuneration for the period from date of joining i.e. 03.10.2016 to 31.03.2017.

b. Details of other employees under aforesaid Rules:

Sl. No.	Name of Employee	Designation	Remuneration (₹ in lacs)	Nature of Employment Permanent / Otherwise	Qualification	Experience	Date of commencement of Employment	Age Yrs.	The Last Employment held before joining the Company	% of Equity shares held (required only for non-directors)	Whether such employee is a relative of any director or manager of the company
1	Shiv Prakash Mittal	Executive Chairman	531.56	Permanent	B.Sc.	44 yrs.	01.02.2007	68 yrs.	Himalaya Granites Ltd.	N.A.	Yes
2	Rajesh Mittal	Managing Director	520.08	Permanent	B.Com.	33 yrs.	01.01.1991	54 yrs.	Not Applicable	N.A.	Yes
3	Shobhan Mittal	Joint Managing Director & CEO	405.71	Permanent	BBA	12 yrs.	01.09.2006	37 yrs.	Worthy Plywoods Ltd.	N.A.	Yes
4	Yogesh Arora	Country Head-MDF (EPD)	134.13	Permanent	B.Sc. (Maths)	42 yrs.	04.04.2009	60 yrs.	Bajaj Eco-Tec Products Ltd.	Nil	No

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

Notes:

1. Remuneration shown above includes salary, commission, allowances, cost of accommodation, medical reimbursement, employer's contribution to provident fund and other perquisites as per the terms of employment excluding variable performance pay, if any.
2. All the employees have requisite experience to discharge the responsibility assigned to them.
3. Nature and terms of employment are as per resolution/appointment letter.
4. Within the meaning of Section 2(77) of the Companies Act, 2013 (a) Mr. Shiv Prakash Mittal and Mr. Rajesh Mittal (b) Mr. Shiv Prakash Mittal and Mr. Shobhan Mittal, are related to each other.

For and on behalf of the Board of Directors

Shiv Prakash Mittal
Executive Chairman
(DIN: 00237242)

Place: Kolkata
Date: May 29, 2017

Business Responsibility Report

[AS PER REGULATION 34(2)(F) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]

INTRODUCTION

Greenply Industries Limited excels for common good. Its unique business model ensures its legacy of responsible business and keeping community as the ultimate purpose of its existence. Over the decades, we have remained focussed on the efficient deployment of resources – people, processes and materials for the production of eco-efficient and safe products. The above purposes are articulated in the twin pillars of our vision – Value Creation and Corporate Citizenship. This ensures that we are balanced in our engagements with multiple stakeholders, creating value with and for all.

GENERAL INFORMATION ABOUT THE COMPANY:

1. **Corporate Identity Number (CIN) of the Company:** L20211AS1990PLC003484

2. **Name of the Company:** Greenply Industries Limited

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

4. **Website:** www.greenply.com

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

6. **Financial year reported:** 1st April, 2016 to 31st March, 2017

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

   Manufacturer of Plywood, MDF and its allied products - National Industrial Classification (NIC) Code 2008: 16211, 16212 & 16213

8. **Three key products that the Company manufactures:**

   a. Plywood

   b. Medium Density Fibre (MDF) Board

   c. Doors

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

   The Company's manufacturing units are situated at Pantnagar in Uttarakhand, Tizit in Nagaland, Kriparampur in West Bengal and Bamanbore in Gujarat.

   The Company has 24 branches in Plyboard Division and 15 branches in MDF Division situated across India, excluding Registered Office and Corporate Office.

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

Please refer the following table:

Sl. No.	Name of the Joint Venture (JV) / Wholly Owned Subsidiary (WOS)	Business activities
1	Greenply Trading Pte. Ltd., Singapore (WOS) 10, Anson Road, #24-02-A International Plaza Singapore – 079903	The WOS was incorporated in the Republic of Singapore on September 4, 2013 and is engaged in the business of trading and marketing of veneers, panel products, wooden flooring & allied products and also investments in companies manufacturing and trading said products.
2	Greenply Alkemal (Singapore) Pte. Ltd., Singapore (JV through Greenply Trading Pte. Ltd., Singapore) 3, Shenton Way, #12-01A Shenton House, Singapore - 068805	This JV is engaged in the business of trading and marketing of commercial veneers and panel products. Further, the JV also controls the Myanmar based Company, which is engaged in the business of manufacturing and trading of veneer and lumber.
3	Greenply Holdings Pte. Ltd., Singapore (WOS) 3, Shenton Way, #12-01A Shenton House, Singapore - 068805	This WOS was incorporated in the Republic of Singapore on June 22, 2016, with the objective to hold the investment (presently held by Greenply Trading Pte. Limited, Singapore) in Greenply Alkemal (Singapore) Pte. Ltd., Singapore.
4	Greenply Middle East Limited, Dubai, UAE (WOS) 409, City Tower 1, Sheikh Zayed Road, P.O. Box 118767, Dubai, United Arab Emirates	The WOS was incorporated on July 4, 2016 with the objective to manage, control and to hold the investment in Greenply Gabon SA, Gabon, West Africa and general trading business.
5	Greenply Gabon SA, Gabon, West Africa (Step-down WOS) Parcel C-13, Nkok SEZ, BP 1024, Libreville, Gabon	On July 14, 2016, Greenply Gabon SA, was incorporated as a step down subsidiary of the Company, with the objective to manage and control the proposed veneer, lumber and panel products manufacturing unit at Nkok SEZ in Gabon, West Africa.

11. **Markets served by the Company**

    a. **Domestic Sales:**
    PAN India Branches- 24 in PLYBOARD DIVISION and 15 in MDF DIVISION

    Distributors/Stockists/Dealer- 1656 in PLYBOARD and 472 in MDF DIVISION

    Retailers Network- 3042 for PLYBOARD and 5000 for MDF DIVISION

    b. **Exports:**
    Sri Lanka, Indonesia, Oman, Dubai (UAE), Thailand, Seychelles, Bangladesh, Myanmar, Nepal, Singapore, Iran, Tanzania, Vietnam, Malaysia, Bahrain, China, Bhutan

FINANCIAL DETAILS OF THE COMPANY:

1. **Paid-up capital (₹ in lacs):** 1226.27

2. **Total Turnover (₹ in lacs):** 176882.53

3. **Total profit after taxes (₹ in lacs):** 13507.21

4. **Total spending on CSR activities undertaken by the Company as percentage of profit after tax (%):** 1.68

5. **List of activities in which CSR Expenditure done:**

   Please refer the Report on the CSR activities forming part of the Annual Report for the financial year 2016-17.

OTHER DETAILS:

1. **Structure of the Company – Group / Joint ventures / Associates / Holding / Subsidiaries**

   There is no group. As regards JV and subsidiaries, please refer the above table mentioned in the general information about the Company.

2. **Details of business of the subsidiaries/JV**

   Please refer the above table mentioned in the general information about the Company.

3. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary company:**

   No participation from Subsidiary Companies.

4. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**

   No participation from other entity.

BR INFORMATION:

1. **Details of Director/Directors responsible for BR:**

   a. **Details of Director responsible for implementation of the BR policy:**

      i. DIN : 00240900

      ii. Name: Mr. Rajesh Mittal

      iii. Designation: Managing Director

   b. **Details of the BR Head:**

      i. DIN: Not Applicable

      ii. Name: Kaushal Kumar Agarwal

      iii. Designation: Company Secretary & Vice President-Legal

      iv. Telephone number: 033-3051 5000

      v. e-mail id: kaushal@greenply.com

2. **Principle-wise (as per NVGs) BR Policy/ policies:**

   - Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability [P1]
   - Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle [P2]
   - Principle 3: Businesses should promote the wellbeing of all employees [P3]
   - Principle 4: Businesses should respect the

Business Responsibility Report (Contd.)

interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized. [P4]

- Principle 5: Businesses should respect and promote human rights [P5]
- Principle 6: Business should respect, protect, and make efforts to restore the environment [P6]
- Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner [P7]
- Principle 8: Businesses should support inclusive growth and equitable development [P8]
- Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner [P9]

(a) Details of compliance (reply in Y/N)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for the various principles?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	All the policies have been formulated in consultation with the Management of the Company and is approved by the Board. The policies have been framed considering the best interest of the stakeholders.								
3	Does the policy conform to any national/ international standards? If yes, specify?	Yes, the policies are based on 'National Voluntary Guidelines on Social, Environmental and Economic Responsibility of Business'.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/ CEO/appropriate Board Director?	Yes, the Policies have been approved by the Board and signed by the Company Secretary on behalf of the Board of Directors of the Company.								
5	Does the Company have a specified committee of the Board/Director/ Official to oversee the implementation of the policy?	Yes, the Company's Official(s) are authorised to oversee the implementation of the Policy.								
6	Indicate the link for the policy to be viewed online?	http://www.greenply.com/images/pdf/Business-Responsibility-Policy.pdf								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, the policies have been posted in the Company's website and communicated to all internal stakeholders.								
8	Does the company have in-house structure to implement policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	The Company is intending to do the same in due course.								

3. Governance related to BR:

a. **Frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company:** The Management of the Company assesses the BR performance during last quarter of the financial year.

b. **Does the Company publish a BR Report:** The Company has published its first Business Responsibility Report which forms part of the Company's Annual Report for the financial year 2016-17. The same can be accessed at: http://www.greenply.com/images/pdf/Business-Responsibility-Policy.pdf

PRINCIPLE-WISE PERFORMANCE:

PRINCIPLE-1: ETHICS, TRANSPARENCY AND ACCOUNTABILITY

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

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

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

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

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

There was neither any pending complaint nor any such complaint was received during the financial year 2016-17.

PRINCIPLE-2: SAFETY AND SUSTAINABILITY OF GOODS

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

None.

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

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

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

Not Applicable. However, the Company has undertaken special efforts in the area of sustainable development. Further, the Company has adopted technologies to enable resource efficient, sustainable manufacturing processes and technologies required to produce our products.

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

The Company has well established system of sustainable sourcing of inputs including transportation. When the Company began its journey over three decades ago, we had to source our raw materials from multiple external sources. But as we focused more on a well-integrated approach to business growth, the picture began to change on the raw material front too. We are promoting large-scale plantations of fast growing and short-rotation plant species in marginal and degraded farmlands in the vicinity of our manufacturing facilities. We aim to enhance raw material security, improve environment sustainability, reduce logistics costs and help farmers to switch to commercial planting from subsistence planting. Besides, we

Business Responsibility Report (Contd.)

are also consistently reducing our dependence on overseas timber to bring down logistics costs. During the year under review the Company has not sourced its major inputs i.e. timber through sustainable sourcing.

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

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

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

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

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

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

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

   Not Applicable.

PRINCIPLE-3: WELL BEING OF ALL EMPLOYEES

1. **Human Resource**

Kind of HR	Total number in the Company
Permanent Employees	3451
Hired Employee:	
● Temporary	39
● Contractual	1399
● Casual	444
Permanent women employees	48
Permanent employees with disabilities	7
Child Labour	Nil

2. **Do you have an employee association that is recognised by management?**

   There is no employee association that is recognised by the management.

3. **What percentage of permanent employees are members of such employee association?**

   Not Applicable.

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

   a. child labour: Nil
   b. forced labour: Nil
   c. involuntary labour: Nil
   d. discriminatory employment: Nil
   e. sexual harassment complaints pending: Nil

   The Company has Policy on Prevention of Sexual Harassment.

5. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

   a. Permanent Employees: 52%
   b. Permanent Women Employees: 100%
   c. Casual/Temporary/Contractual Employees: 40%
   d. Employees with Disabilities: 100%

PRINCIPLE-4: PROTECTION OF STAKEHOLDERS' INTEREST

1. **Has the Company mapped its internal and external stakeholders?**

   Yes.

2. **Has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?**

   The Company has identified the disadvantaged, vulnerable and marginalized stakeholders around its units and identifying their needs and priorities so as to serve these needs accordingly.

3. **What are the steps taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders?**

   The Company provides healthcare facilities nearby its unit in Nagaland and doing various CSR activities in the area of education, vocational skills, sanitation, healthcare nutritious daily meals.

PRINCIPLE-5: RESPECTING AND PROMOTING HUMAN RIGHTS

1. **Does the Company have any policy on human rights?**

   The Company understands and continuously strives to promote human rights as mentioned in the Constitution of India in the provisions of Fundamental Rights and Directive Principles of State Policy and also the guidelines of the International Bill of Human Rights.

2. **Does this policy on human rights cover only the Company or extend to the JV/ Suppliers / Contractors / NGOs / Others?**

   For the subsidiaries of the Company, the policy applicable in line with the local requirements prevailing in the country of operations are applicable.

3. **How many stakeholder complaints pertaining to violation of Human Rights have been received in the past financial year and what percent was satisfactorily resolved by the management:**

   No complaint was pending in the past and further, no complaint was received pertaining to human rights violation during the financial year 2016-17.

PRINCIPLE-6: RESPECTING, PROTECTING AND RESTORING THE ENVIRONMENT

1. **Does the policy related to principle 6 cover only the Company or extends to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/ others?**

   The Company follows its policy on Environment Protection which is applicable to all its business places. For the subsidiaries, the policy is applicable in line with the local requirements prevailing in the country of operation.

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.?**

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

   However, wood being renewable resource, provides wide-ranging benefits to environment and society, such as:

   - capable of creating a huge carbon sink.
   - reduced the burden on natural forests,
   - help the nation to achieve its plantation coverage up to 33%,
   - ameliorates the environment,
   - tackles climate changes
   - help in maintaining eco balance of the area
   - provides a socio economic upliftment to the local inhabitants.

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

3. **Does the Company identify and assess potential environmental risks?**

   The Company has a mechanism to identify and assess potential environmental risks at the plant level.

Business Responsibility Report (Contd.)

4. **Does the Company has any project related to Clean Development Mechanism?**

   No.

5. **Has the Company undertaken any other initiatives on - clean technology energy efficiency, renewable energy, etc.? If yes, details thereof.**

   The efforts of the Company are aimed to minimise the energy consumption in spite of increase in operations of the Company.

6. **Are the emissions / waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Yes, the emissions/waste generated by the Company for financial year 2016-17 are within permissible limits given by CPCB/SPCB(s) of the respective units.

7. **Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of financial year.**

   As on 31 March, 2017, there is no pending show cause or legal notice received from CPCB or SPCB.

PRINCIPLE-7: RESPONSIBILITY TOWARDS PUBLIC AND REGULATORY POLICY

1. **Whether the Company is a member of any trade/ chamber association?**

   The Company is the member of the following trade/ chamber association among others:

   a. ASSOCHAM
   b. Merchants' Chamber of Commerce & Industry
   c. PHD Chamber of Commerce & Industry
   d. Indian Chamber of Commerce
   e. Indian Green Building Council

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)?**

   None. However, the Company intends to utilise the opportunities available in future for the advancement or improvement of public good.

PRINCIPLE-8: INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

1. **Does the Company have specified programmes / initiatives / projects in pursuit of the inclusive growth and equitable development? If yes details thereof.**

   The Company undertakes the initiatives through the CSR Committee of the Board as per the CSR Policy of the Company. Please refer the Report on the CSR activities forming part of the Annual Report for the financial year 2016-17.

2. **Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organization?**

   The CSR projects have been carried out by the Company directly and through Greenply Foundation, a Charitable Trust, established by the Company under the provisions of the Indian Trusts Act, 1882. Please refer the Report on the CSR activities forming part of the Annual Report for the financial year 2016-17.

3. **Have you done any impact assessment of the initiative indicated above?**

   No. However, the CSR Committee internally performs assessment of its initiatives on frequent intervals.

4. **What is your Company's direct contribution to Community Development Projects (CDP)? - Amount in ₹ and the details of the projects undertaken.**

   Please refer the Report on the CSR activities forming part of the Annual Report for the financial year 2016-17 containing the details on CSR spending.

5. **Have you taken steps to ensure that this CDP is successfully adopted by the community? Please explain.**

   CSR initiatives are designed and delivered in transparent manner in line with inputs from the Community itself.

PRINCIPLE-9: ENGAGING AND ENRICHING CUSTOMER VALUE

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

   A total of 624 complaints were received from customers including end-consumers in financial year 2016-17, out of which 113 (amounting to 18%) was pending as of 31st March, 2017. Further, two consumer cases were filed against the Company with the Consumer forum during financial year 2016-17 and the same are pending. Total 7 consumer cases are pending with various consumer forum as on the end of financial year 2016-17.

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

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

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

   None.

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

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

On behalf of the Board of Directors

Shiv Prakash Mittal
Executive Chairman
DIN: 00237242

Place: Kolkata
Date: 29.05.2017

Corporate Governance Report

[PURSUANT TO PART C OF SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]

The Directors present the Company's Report on Corporate Governance for the financial year ended 31st March, 2017, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

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

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

2. BOARD OF DIRECTORS

A. Composition:

The Board of the Company is comprised of Executive and Non-Executive Directors including Independent Directors. As on March 31, 2017, the composition of the Board is as under which is headed by an Executive Chairman:

Sr. No.	Category	No. of Directors	Percentage to total no. of Directors
1	Executive Promoter Directors	3	33
2	Non-executive-Non-Independent Director	1	11
3	Non-executive-Independent Directors (including one women director)	5	56
Total		9	100

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

B. Board Meetings:

During 2016-17, six Board Meetings were held i.e. on 24th May, 2016, 23rd June, 2016, 25th July, 2016, 24th October, 2016, 24th January, 2017 and 16th March, 2017.

The attendance of the Directors at the Board Meetings during 2016-17 and at the last Annual General Meeting and also the number of other Boards or Board Committees in which the Directors are holding the position of Member/ Chairperson as on March 31, 2017 are:

Name of the Directors and Director Identification Number (DIN)	Category of Directorship	No. of Board Meetings		Attendance at last AGM	No. of outside directorship held			No. of outside committees**	
		Held	Attd.		Public	Private	Other	Member	Chairman
Mr. Shiv Prakash Mittal (DIN 00237242)	Executive Chairman-Promoter Director	6	6	Yes	1	1	-	4#	1
Mr. Rajesh Mittal (DIN 00240900)	Managing Director-Promoter Director	6	5	No	1	12*	-	-	-
Mr. Shobhan Mittal (DIN 00347517)	Joint Managing Director & CEO-Promoter Director	6	3	No	1	9$	1	-	-
Mr. Moina Yometh Konyak (DIN 00669351)	Non-Executive-Non-Independent Director	6	1	No	-	-	-	-	-
Mr. Susil Kumar Pal (DIN 00268527)	Non-Executive-Independent Director	6	6	Yes	3	-	-	5	-
Mr. Vinod Kumar Kothari (DIN 00050850)	Non-Executive-Independent Director	6	6	No	2	3	1	5#	1
Mr. Anupam Kumar Mukerji (DIN 00396878)	Non-Executive-Independent Director	6	5	Yes	-	-	-	-	-
Ms. Sonali Bhagwati Dalal (DIN 01105028)	Non-Executive-Independent Director	6	4	No	2	2	-	2	-
Mr. Upendra Nath Challu (DIN 05214065)	Non-Executive-Independent Director	6	5	Yes	1	-	-	-	-

* including directorship in six foreign companies.

\# including Chairmanship.

$ including directorship in three foreign companies.

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

C. Information supplied to the Board of Directors:

During 2016-17, 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.

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

Name of Executive Director	Mr. Shiv Prakash Mittal, Executive Chairman (DIN 00237242)
Age	68 years (Date of Birth: April 07, 1949)
Date of first Appointment	July 29, 1991
Experience/Expertise in specific functional areas	Mr. Shiv Prakash Mittal, a founder of Greenply Industries Limited, has rich and diverse experience in the fields of production and marketing of plywood, laminates and allied products. He is involved in the overall growth of the Company especially in respect of setting-up of new manufacturing units and streamlining the production capacities of existing units.
Qualification	B.Sc.
Terms and conditions of re-appointment	Re-appointment for the period of five years with effect from February 1, 2017 till January 31, 2022 on the terms and conditions as mentioned in item/ resolution no. 6 of the Notice dated 29.05.2017 convening 27th Annual General Meeting of the Company.
Remuneration sought to be paid	Provided in item/resolution no. 6 of the Notice dated 29.05.2017 convening 27th Annual General Meeting of the Company.
Remuneration-FY 2016-17	Salary: ₹ 2,20,80,000/- Commission: ₹ 2,86,42,000/- Provident Fund: ₹ 24,33,600/-
List of outside directorship held excluding alternate directorship	Listed Entity: Greenlam Industries Limited Unlisted Entity: Prime Holdings Pvt. Ltd.
Chairman/Member of the Committee of the Board of Directors of the Company	Chairman: Nil Member: 1. Nomination & Remuneration Committee 2. Operational Committee

Corporate Governance Report (Contd.)

Chairman/member of the committee of the Board of Directors of other companies in which he is a director	Greenlam Industries Limited: Chairman: Stakeholders Relationship Committee Member: 1. Nomination & Remuneration Committee 2. Corporate Social Responsibility Committee 3. Operational & Finance Committee
Number of Equity Shares held in the Company	Nil
Number of Board Meetings attended during Financial year 2016-17	6 (Six)
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company.	Mr. Rajesh Mittal (Brother) & Mr. Shobhan Mittal (Son)

D. Disclosures of relationships between Directors inter-se:

Name of the Directors	Category of Directorship	Relationship between Directors
Mr. Shiv Prakash Mittal	Executive Chairman-Promoter Director	Mr. Rajesh Mittal (Brother) and Mr. Shobhan Mittal (Son)
Mr. Rajesh Mittal	Managing Director- Promoter Director	Mr. Shiv Prakash Mittal (Brother)
Mr. Shobhan Mittal	Joint Managing Director & CEO- Promoter Director	Mr. Shiv Prakash Mittal (Father)
Mr. Moina Yometh Konyak	Non-Executive- Non-Independent Director	None
Mr. Susil Kumar Pal	Non-Executive- Independent Director	None
Mr. Vinod Kumar Kothari	Non-Executive- Independent Director	None
Mr. Anupam Kumar Mukerji	Non-Executive- Independent Director	None
Ms. Sonali Bhagwati Dalal	Non-Executive- Independent Director	None
Mr. Upendra Nath Challu	Non-Executive- Independent Director	None

E. Separate Meeting of Independent Directors:

During the year under review, a separate meeting of the Independent Directors of the Company was convened on 16th March, 2017, inter alia, to perform the following:

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

The following Independent Directors were present at the Meeting:
Mr. Anupam Kumar Mukerji
Mr. Vinod Kumar Kothari
Mr. Susil Kumar Pal
Mr. Upendra Nath Challu
Ms. Sonali Bhagwati Dalal

F. Familiarisation programme for Independent Directors:

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

http://www.greenply.com/images/pdf/Details-of-Familiarization-Programmes-Imparted-to-Independent-Directors_2016-17.pdf

G. Evaluation of the Board's Performance

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

H. Code of Conduct

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

I. Terms and conditions of appointment of Independent Directors

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

Committees of the Board

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

3. AUDIT COMMITTEE

A. Composition:

As on March 31, 2017, the Company's Audit Committee comprises of four Non-Executive Independent Directors, and two Executive-Promoter Directors. The Company Secretary acts as the Secretary to the Audit Committee. The composition is as under:
Mr. Susil Kumar Pal, Chairman
Mr. Vinod Kumar Kothari, Member
Mr. Anupam Kumar Mukerji, Member
Mr. Upendra Nath Challu, Member
Mr. Rajesh Mittal, Member
Mr. Shobhan Mittal, Member

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

B. Terms of Reference:

Powers and role of the Audit Committee:

The powers of Audit Committee include the following:

Corporate Governance Report (Contd.)

a) Powers:

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

b) Role:

The role of the Audit Committee includes the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, and examination of the financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
   b. Changes, if any, in accounting policies and practices and reasons for the same
   c. Major accounting entries involving estimates based on the exercise of judgment by management
   d. Significant adjustments made in the financial statements arising out of audit findings
   e. Compliance with listing and other legal requirements relating to financial statements
   f. Disclosure of any related party transactions
   g. Modified opinion(s) in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

c) Review of information by the Audit Committee:

The Audit Committee reviews the following information:

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

C. Meetings and attendance:

During 2016-17, five meetings of Audit Committee were held i.e. on May 24, 2016, July 25, 2016, October 24, 2016, January 24, 2017 and March 16, 2017 and the attendance of Member Directors is as follows:

Name of the Members	Category	No. of Meetings	
		Held	Attended
Mr. Susil Kumar Pal	Non-Executive Independent Director	5	5
Mr. Anupam Kumar Mukerji	Non-Executive Independent Director	5	5
Mr. Vinod Kumar Kothari	Non-Executive Independent Director	5	5
Mr. Upendra Nath Challu	Non-Executive Independent Director	5	5
Mr. Rajesh Mittal	Executive Promoter Director	5	4
Mr. Shobhan Mittal	Executive Promoter Director	5	3

Corporate Governance Report (Contd.)

4. NOMINATION AND REMUNERATION COMMITTEE

A. Composition:

As on March 31, 2017, the Company's Nomination and Remuneration Committee comprises of three Non-Executive Independent Directors and one Executive-Promoter Director. The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee. The composition is as under:

Mr. Susil Kumar Pal, Chairman

Mr. Vinod Kumar Kothari, Member

Mr. Anupam Kumar Mukerji, Member

Mr. Shiv Prakash Mittal, Member

B. Terms of Reference:

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

I. To formulate criteria for:

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

b. evaluation of independent directors and the Board

II. To devise the following policies on:

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

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

III. To identify persons who are qualified to:

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

b. be appointed in senior management in accordance with the policies of the Company.

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

V. 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.

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

C. Meetings and Attendance:

During 2016-17, four meetings of Nomination and Remuneration Committee were held i.e. on May 23, 2016, September 05, 2016, January 24, 2017 and March 16, 2017 and the attendance of Member Directors is as follows:

Name of the Members	Category	No. of Meetings	
		Held	Attended
Mr. Susil Kumar Pal	Non-Executive Independent Director	4	4
Mr. Anupam Kumar Mukerji	Non-Executive Independent Director	4	3
Mr. Vinod Kumar Kothari	Non-Executive Independent Director	4	4
Mr. Shiv Prakash Mittal	Executive Promoter Director	4	4

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

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

The Remuneration Policy of the Company is uploaded on the website of the Company. The weblink is http://www.greenply.com/images/pdf/Greenply-remuneration-policy.pdf

E. Remuneration of Directors

(I) Executive Directors

The details of remuneration including commission to all Executive Directors for the year ended on March 31, 2017 are as follows and the same is within the ceiling prescribed under the applicable provisions of the Companies Act, 2013.

Name and designation	Service contract/Notice period*	Salary (₹)	Commission (₹)	Provident Fund (₹)	Perquisites and other allowances (₹)
Mr. Shiv Prakash Mittal (Executive Chairman)	Re-appointed for five years w.e.f. February 01, 2017 (liable to Retire by rotation)	2,20,80,000	2,86,42,000	24,33,600	-
Mr. Rajesh Mittal (Managing Director)	Re-appointed for five years w.e.f. January 01, 2016 (not liable to Retire by rotation)	2,11,20,000	2,86,42,000	22,46,400	-
Mr. Shobhan Mittal (Jt. Managing Director & CEO)	Reappointed for five years w.e.f. September 01, 2016 (liable to Retire by rotation)	1,00,00,000	2,86,42,000	12,00,000	7,28,850

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

(II) Non-Executive Directors

The details of sitting fees and annual commission (excluding applicable service tax) to Non-Executive Directors for the financial year 2016-17 are as follows:

Name	Service contract/Notice period	Sitting fees (₹)	Commission (₹)
Mr. Moina Yometh Konyak	Retire by rotation	40,000	10,00,000
Mr. Susil Kumar Pal	Appointed for five years w.e.f. August 22, 2014 until the 29th Annual General Meeting of the Company to be held in the calendar year 2019. Not liable to Retire by rotation	6,70,000	10,00,000
Mr. Vinod Kumar Kothari	Appointed for five years w.e.f. August 22, 2014 until the 29th Annual General Meeting of the Company to be held in the calendar year 2019. Not liable to Retire by rotation	6,50,000	10,00,000
Mr. Anupam Kumar Mukerji	Appointed for five years w.e.f. August 22, 2014 until the 29th Annual General Meeting of the Company to be held in the calendar year 2019. Not liable to Retire by rotation	5,30,000	10,00,000
Ms. Sonali Bhagwati Dalal	Appointed for five years w.e.f. August 22, 2014 until the 29th Annual General Meeting of the Company to be held in the calendar year 2019. Not liable to Retire by rotation	2,00,000	10,00,000
Mr. Upendra Nath Challu	Appointed for five years w.e.f. August 22, 2014 until the 29th Annual General Meeting of the Company to be held in the calendar year 2019. Not liable to Retire by rotation	4,50,000	10,00,000

Corporate Governance Report (Contd.)

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

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

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

The details of shares/convertible instruments held by the Executive and Non-Executive Directors of the Company as on March 31, 2017 are as follows:

Name of the Directors	Category	Number of Equity Shares	No. of Convertible Instruments
Mr. Shiv Prakash Mittal	Executive Promoter Director	Nil	Nil
Mr. Rajesh Mittal	Executive Promoter Director	3415900	Nil
Mr. Shobhan Mittal	Executive Promoter Director	739000	Nil
Mr. Moina Yometh Konyak	Non-Executive Non-independent Director	Nil	Nil
Mr. Susil Kumar Pal	Non-Executive Independent Director	Nil	Nil
Mr. Vinod Kumar Kothari	Non-Executive Independent Director	Nil	Nil
Mr. Anupam Kumar Mukerji	Non-Executive Independent Director	Nil	Nil
Ms. Sonali Bhagwati Dalal	Non-Executive Independent Director	Nil	Nil
Mr. Upendra Nath Challu	Non-Executive Independent Director	Nil	Nil

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

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

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

G. Criteria for performance Evaluation of Independent Directors:

The Nomination and Remuneration Committee has duly formulated the performance evaluation criteria for Independent Directors of the Company. The said criteria are disclosed in the Board's Report .

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The composition and terms of reference of Stakeholders Relationship Committee are as follows:

A. Composition:

As on March 31, 2017, the Company's Stakeholders Relationship Committee comprises two Executive Promoter Directors and two Non-Executive Independent Directors as under-

Mr. Anupam Kumar Mukerji, Chairman

Mr. Susil Kumar Pal, Member

Mr. Rajesh Mittal, Member

Mr. Shobhan Mittal, Member

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

B. Terms of Reference for the Committee:

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

1. To ensure proper and timely attendance and redressal of grievances of security holders of the Company in relation to:
   a. Transfer of shares,
   b. Non-receipt of annual reports,
   c. Non-receipt of declared dividend,
   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. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
3. 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.
4. To review and approve requests of dematerialization and rematerialisation of securities of the Company and such other related matters;
5. Appointment and fixing of remuneration of RTA and overseeing their performance;
6. Review the status of the litigation(s) filed by/against the security holders of the Company;
7. Review the status of claims received for unclaimed shares;
8. Recommending measures for overall improvement in the quality of investor services;
9. Monitoring, implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading;
10. Review the impact of enactments/ amendments issued by the MCA/ SEBI and other regulatory authorities on matters concerning the investors in general;
11. Such other matters as per the directions of the Board of Directors of the Company and/ or as required under Clause 49 of the erstwhile Listing Agreements, relating to Corporate Governance, as amended, from time to time.
12. Any other issue within terms of reference.

The table gives the number of complaints received, resolved and pending during the year 2016-17.

C. Number of complaints:

Unresolved at the beginning of the year	Received during the year	Resolved during the year	Pending
Nil	12	12	Nil

Corporate Governance Report (Contd.)

D. Meetings and attendance

During 2016-17, four meetings of Stakeholders Relationship Committee were held on 23rd May, 2016, 25th July, 2016, 23rd October, 2016 and 24th January, 2017 and the attendance of the Member Directors is as follows:

Name of the members	Category	No. of meetings	
		Held	Attended
Mr. Anupam Kumar Mukerji	Non-Executive-Independent Director	4	4
Mr. Susil Kumar Pal	Non-Executive-Independent Director	4	4
Mr. Rajesh Mittal	Executive Promoter Director	4	3
Mr. Shobhan Mittal	Executive Promoter Director	4	3

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

A. Composition

As on March 31, 2017, the Corporate Social Responsibility (CSR) Committee of the Company comprised Mr. Rajesh Mittal, Mr. Shobhan Mittal, Mr. Vinod Kumar Kothari and Mr. Upendra Nath Challu.

B. Terms of Reference

The terms of reference of CSR Committee are as follows:

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.

C. Meetings and attendance

During 2016-17, three meetings of CSR Committee were held i.e. on 24th May, 2016, 24th October, 2016 and 24th January, 2017 and the attendance of Member Directors in the said Meetings is as follows:

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

7. OPERATIONAL COMMITTEE

As on 31st March, 2017, the Committee comprised Mr. Shiv Prakash Mittal, Mr. Rajesh Mittal, Mr. Shobhan Mittal, Mr. Susil Kumar Pal and Mr. Vinod Kumar Kothari. The Board of Directors of the Company at its meeting held on 24th January, 2017 modified the composition of the Operational Committee by inducting Mr. Vinod Kumar Kothari, Non-Executive-Independent Director as a member of the said Committee. The Committee meets as and when required to consider matters assigned to it by the Board of Directors from time to time.

8. QIP COMMITTEE

The QIP Committee, which was constituted by the Board of Directors of the Company at its meeting held on 23rd June, 2016, for the purpose of facilitating the process of issue and allotment of equity shares of the Company through Qualified Institutional Placement. As on March 31, 2017, the QIP Committee of the Company comprised Mr. Shiv Prakash Mittal, Mr. Rajesh Mittal, Mr. Vinod Kumar Kothari and Mr. Susil Kumar Pal. During 2016-17, four meetings of QIP Committee were held i.e. on 9th August, 2016, 11th August, 2016, 12th August, 2016 and 16th August, 2016.

9. GENERAL BODY MEETINGS

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

Financial year ended	Date of AGM	Venue	Time	No. of Special Resolution(s) passed
31st March, 2016	23-08-2016 (26th AGM)	Registered Office of the Company at Makum Road, Tinsukia, Assam - 786 125	10:00 A.M.	NIL
31st March, 2015	25-08-2015 (25th AGM)	"ROYALIDE", Hotel Royal Highness, G.N.B Road, Tinsukia, Assam - 786 125	10:00 A.M.	3
31st March, 2014	22-08-2014 (24th AGM)	"ROYALIDE", Hotel Royal Highness, G.N.B Road, Tinsukia, Assam - 786 125	10:00 A.M.	13

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

- At the 26th Annual General Meeting held on August 23, 2016, no special resolution was passed.
- At the 25th Annual General Meeting held on August 25, 2015:

a. Resolution in respect of increase in payment of annual commission made to non-executive directors (excluding nominee director) by increasing the existing limit of ₹ 7,50,000/- (exclusive of applicable service taxes) per non-executive director to ₹ 10,00,000/- (exclusive of applicable service taxes) per non-executive director with effect from financial year 2014-15.

b. Resolution for maintaining and keeping the Company's registers required to be maintained under Section 88 of the Companies Act, 2013 and copies of annual returns filed under Section 92 of the Companies Act, 2013 or any one or more of them, at a place other than Company's Registered Office.

c. Resolution for approval of drawing of remuneration by Mr. Shobhan Mittal (DIN: 00347517), Joint Managing Director & CEO of the Company from Greenply Trading Pte. Ltd., Singapore, wholly owned subsidiary of the Company.

- At the 24th Annual General Meeting held on August 22, 2014:

a. Resolution in respect of authorisation to the Board of Directors of the Company, under Section 180(1)(c) of the Companies Act, 2013, to borrow up to ₹ 2,000 crores.

b. Resolution in respect of authorisation to the Board of Directors of the Company, under Section 180(1)(a) of the Companies Act, 2013, to create mortgages, hypothecations or charges on the assets of the Company for securing the borrowings up to ₹ 2,000 crores.

c. Resolution under Section 14 of the Companies Act, 2013 for adoption of new Articles of Association of the Company.

Corporate Governance Report (Contd.)

d. Resolution for approval of the contracts/arrangements of the Company for sale of products to related parties under Section 188 of the Companies Act, 2013

e. Resolution for approval of the contracts/arrangements of the Company to purchase raw materials, semi-finished and finished goods from a related party under Section 188 of the Companies Act, 2013.

f. Resolution for approval to give guarantee or provide security in respect of loan made to the subsidiaries Greenlam Asia Pacific Pte. Ltd., Greenlam America, Inc. and Greenlam Europe (UK) Limited.

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

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

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

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

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

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

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

iii. Passing of Resolution by Postal Ballot during the financial year 2016-2017:

During the year under review, the Board of Directors of the Company approved the postal ballot notice dated June 23, 2016 containing special resolution in respect of the following matter to which shareholders' approval was obtained on July 31, 2016.

Resolution 1: Resolution pursuant to the provisions of Section 42, 62, 71 and all other applicable provisions, if any, of the Companies Act, 2013 and the allied Rules framed thereunder including other applicable laws for issuance of equity shares including convertible bonds/ Debentures through qualified institutional placement (QIP) and/or Depository Receipts and/or any other modes for an amount not exceeding ₹ 1000 million.

The details of the voting pattern in respect of Resolution passed are as under:

Resolution	No. of votes polled	No. of valid votes polled	No. of invalid votes polled	No. of Valid Votes – in favour	No. of Valid Votes – against	% of Votes in favour on votes polled	% of Votes against on votes polled
Resolution No. 1 (Special Resolution)	89389090	89385968	3122	89385618	350	99.9996	0.0004

Procedure followed to pass the said resolution by Postal Ballot:

The voting rights of the members were reckoned on the cut-off date i.e. June 27, 2016 and the notice along with Postal Ballot form had been dispatched to all members on July 2, 2016. The Board had appointed Mr. Dilip Kumar Sarawagi [bearing COP No.: 3090], Practicing Company Secretary, Proprietor of M/s. DKS & Co. [bearing Unique Code: S1990WB007300] of 173, M. G. Road, 1st Floor, Kolkata - 700 007, as the Scrutinizer for conducting the postal ballot voting process in accordance with the law and in a fair and transparent manner. M/s. Central Depository Services (India) Limited (CDSL) had been engaged to provide the electronic voting facility to the members of the Company.

The voting (postal & e-voting) period started on 2nd July, 2016 at 10:00 a.m. and ended on 31st July, 2016 at 6:00 p.m. During said period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 27th June, 2016, were eligible to cast their vote electronically. Postal Ballot Forms received up to 6:00 p.m. on July 31, 2016, being the last time and date fixed by the Company for receipt of the Postal Ballot forms, had been considered for scrutiny. The resolution was approved on 31st July, 2016 [last date specified by the Company for receipt of duly completed postal ballot forms or e-voting].

The results of postal ballot voting (including e-voting) along with the Scrutiniser's report had been displayed on the Notice Board of the company at its Registered Office and Corporate Office and also placed on the website of the company at www.greenply.com. The same was also published in the newspapers i.e. Business Standard all editions, Assam Tribune and The Dainik Janambhumi on 3rd August, 2016.

iv. Whether any special resolution is proposed to be conducted through postal ballot: There is no immediate proposal for passing any resolution through Postal Ballot.

10. SUBSIDIARIES

Details of the Subsidiaries and/or Joint Venture of the Company and their business activities are provided in the Directors' Report forming part of the Annual Report of the Company. The Company has formulated a policy for determining 'material' subsidiaries pursuant to the provisions of the erstwhile Equity Listing Agreement and the Listing Regulations, 2015 and the same is displayed on the website of the Company. The weblink is http://www.greenply.com/images/pdf/Policy-for-determining-Material-Subsidiaries.pdf.

11. DISCLOSURES

a) Related Party Transactions:

The Company does not have materially significant transactions with related parties during the financial year, which may have potential conflict with the interest of the Company at large. Suitable disclosures as required by the Ind AS 24 has been made in the notes to the Financial Statements.

The details of the transactions with related parties are placed before the Audit Committee from time to time.

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

http://www.greenply.com/images/pdf/Related-Party-Transactions-Policy.pdf

b) Compliance:

There has been no non-compliance, penalties or strictures imposed on the Company by Stock Exchanges and/or SEBI and/or any other Statutory Authorities, on any matter related to capital markets during the last three years, except penalty of ₹ 1,123/-(including service tax) was imposed by BSE Ltd. for delay in filing of shareholding pattern for the quarter ended 30.09.2014 by one day.

Corporate Governance Report (Contd.)

c) Joint Managing Director & CEO and CFO Certification:

The Joint 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 and forms part of this Annual Report.

d) Code of Conduct for Prevention of Insider Trading:

The Company has adopted a Code of Conduct for Prevention of Insider Trading in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations 2015 and Companies Act, 2013 with a view to regulate trading in securities by the Directors, KMPs and other designated employees of the Company. The Board of Directors of the Company at its meeting held on February 5, 2015 had adopted the new Insider Trading Code effective from May 15, 2015. This code is applicable to all Designated Employees and their immediate relatives, connected persons, Promoter and they are required to abide by the Code of Conduct for Prevention of Insider Trading of the Company framed under the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time and provisions under Section 195 the Companies Act, 2013 as amended. The Code requires pre-clearance from Compliance officer for dealing in the Company's shares beyond threshold limits. Further, it prohibits the purchase or sale of Company's shares by the Directors, KMPs and the employees while in possession of unpublished price sensitive information in relation to the Company and when the Trading Window is closed.

e) Whistle Blower Policy:

As per the requirement of the Companies Act, 2013 and Listing Regulations (erstwhile Clause 49 of the Listing Agreement), the Company has established vigil mechanism to enable directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethical policy. The whistle blowers may also lodge their complaints/ concern with the Chairman of the Audit Committee, whose contact details are provided in the Whistle Blower Policy of the Company. The policy offers appropriate protection to the whistle blowers from victimization, harassment or disciplinary proceedings. The Whistle Blower Policy is also available on the website of the Company and weblink to the same is as under:

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

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

f) Details of Compliance with Mandatory requirements and adoption of Non-mandatory requirements:

Mandatory requirements:

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

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

1. Office for non-executive Chairman at company's expense: Not Applicable
2. Half-yearly declaration of financial performance including summary of the significant events in last six-months to each household of shareholders: Not adopted
3. Modified opinion(s) in audit report: The Auditors of the Company have issued an unmodified report on financial statements for FY 2016-2017.
4. Separate posts of Chairman & Chief Executive Officer: Complied
5. Reporting of Internal Auditors directly to the Audit Committee: Complied

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

h) Policy for determining 'material' subsidiaries:

The Company has framed the policy for determining 'material' subsidiaries'. The same has been placed on the website of the Company and weblink to the same is as under:

http://www.greenply.com/images/pdf/Policy-for-determining-Material-Subsidiaries.pdf

i) Shareholding of Non-Executive Directors:

None of the Non-Executive Directors hold any shares in the Company.

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

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

k) Unclaimed Dividends:

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

Financial Year ended	Date of declaration of dividend	Due Date for transfer to IEPF
31.03.2010	06.08.2010	11.09.2017
31.03.2011	19.08.2011	24.09.2018
31.03.2012	24.08.2012	28.09.2019
31.03.2013	23.08.2013	28.09.2020
31.03.2014	22.08.2014	27.09.2021
31.03.2015	25.08.2015	30.09.2022
31.03.2016	23.08.2016	28.09.2023

During the year under review, the Company has credited ₹ 41,945/- to the Investor Education and Protection Fund (IEPF) pursuant to the relevant provisions of applicable laws and rules.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 23th August, 2016 (date of previous Annual General Meeting) on the Company's website http://www.greenply.com/unpaid-dividend and on the website of the Ministry of Corporate Affairs.

l) Demat Suspense Account/Unclaimed Suspense Account:

Pursuant to Regulation 39(4) read with Schedule VI of the Listing Regulations, 2015, the Company is required to send at least three reminders at the last

Corporate Governance Report (Contd.)

available address as per the records to the shareholders whose certificates were undelivered and returned to the Company.

The Company has sent reminders to the respective shareholders whose physical share certificate(s), after sub-division of face value of equity shares from ₹ 5/- each to face value of Re.1/- each w.e.f. 07.01.2016, were undelivered and returned to the Company/RTA.

The Company is taking necessary steps in respect of non-receipt of response to the said reminders. The unclaimed physical shares will be dematerialized and will be held in "Unclaimed Suspense Account".

m) 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.

12. MEANS OF COMMUNICATION:

The quarterly/half-yearly/annual financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board of Directors. These are also published in the prescribed proforma within 48 hours of the conclusion of the meeting of the Board in which they are considered, in English newspaper circulating the whole or substantially the whole of India and in one vernacular newspaper of the State of Assam, where the registered office of the Company is situated. In addition, these results are simultaneously posted on the Company's website www.greenply.com. The official press releases and/or presentation are also available on the Company's website.

Details about the means of communication:

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

13. GENERAL SHAREHOLDERS' INFORMATION

i.	**Date, time and venue of the Annual General Meeting**	Monday, August 21, 2017 9:15 a.m. at the Registered office of the Company at Makum Road, Tinsukia, Assam - 786125.
ii.	**Financial Year**	Financial year of the Company is from April 01 to March 31. Publication of results for the financial year 2017-18 (tentative and subject to change) First quarter results: On or before August 14, 2017 Second quarter and half year results: On or before November 14, 2017 Third quarter results: On or before February 14, 2018 Fourth quarter results and results for the year ending March 31, 2018: On or before May 30, 2018.
iii.	**Dates of book closure**	From Friday, July 7, 2017 to Tuesday, July 11, 2017 (both days inclusive)
iv.	**Dividend payment date**	Within 10 days from the date of Annual General Meeting. Between August 21, 2017 and August 30, 2017
v.	**Listing of Equity Shares at Stock Exchanges and payment of annual listing fees:**	BSE Ltd. (BSE) Floor 25, P. J. Towers Dalal Street, Fort Mumbai-400 001
		National Stock Exchange of India Ltd. (NSE) Exchange Plaza, Bandra Kurla Complex Bandra (E), Mumbai– 400 051 The Company has paid annual listing fees to both Stock Exchanges.
vi.	**Stock Code/Symbol**	BSE: 526797 NSE: GREENPLY

vii. Market price data for the financial year 2016-17:

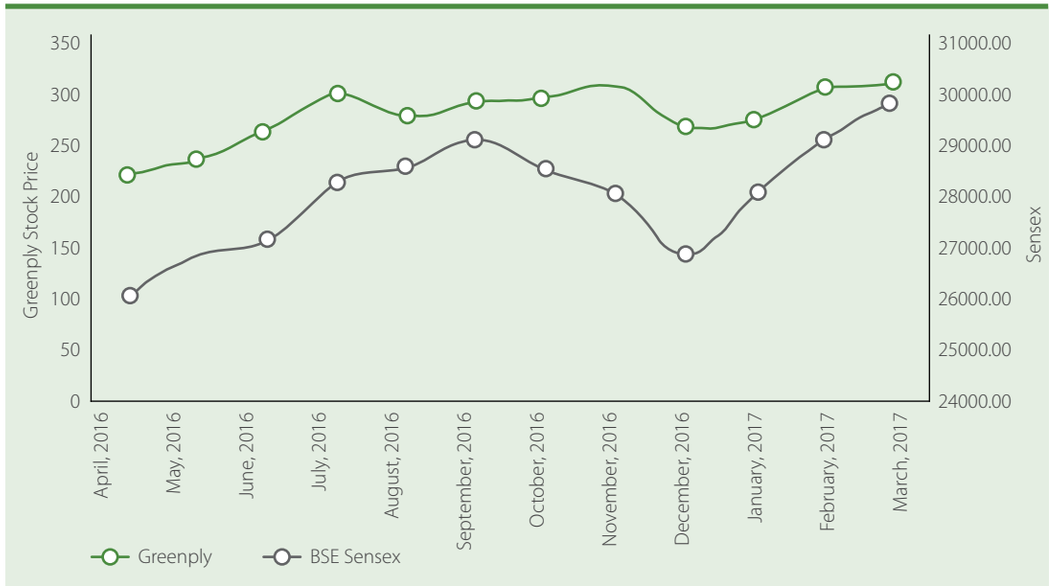
Month	At BSE		At NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2016	219.70	173.00	216.45	171.10
May 2016	234.80	195.00	234.60	194.30
June 2016	263.10	210.40	263.50	210.20
July 2016	297.50	234.00	297.50	235.75
August 2016	276.00	245.00	276.00	245.55
September 2016	289.00	251.00	283.35	250.00
October 2016	293.85	266.00	294.00	265.25
November 2016	306.30	236.50	307.00	232.70
December 2016	265.90	238.30	269.15	238.50
January 2017	274.70	243.00	276.00	242.95
February 2017	302.25	257.35	304.00	257.00
March 2017	309.00	270.00	308.00	271.00

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

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

Greenply shares performance:

Greenply High Vs Sensex High



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

Corporate Governance Report (Contd.)

xi.	**Share Transfer System**	The Company has a Committee of the Board of Directors called Stakeholders Relationship Committee, which meets as and when required. The formalities for transfer of shares in the physical form are completed and share certificates are dispatched to the transferee within 15 days of receipt of the transfer documents, provided the documents are complete and the shares under transfer are not under dispute.

xii. Distribution of equity shareholding as on March 31, 2017.

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

Range in number of shares held	Number of shareholders	Percentage of shareholders	Number of shares held	Percentage of shares held
1-500	8133	83.07	844201	0.69
501-1000	749	7.65	589442	0.48
1001-2000	410	4.20	607786	0.50
2001-3000	157	1.60	393477	0.32
3001-4000	55	0.56	195163	0.16
4001-5000	47	0.48	221468	0.18
5001-10000	95	0.97	673447	0.55
10001-50000	90	0.92	1880059	1.53
50001-100000	12	0.12	930238	0.76
100001 and Above	42	0.43	116292114	94.83
Total	9790	100.00	122627395	100.00

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

Category of shareholders	Number of shares	Percentage of shares
Promoter and Promoter Group	62575000	51.03
Foreign Institutional Investors	873417	0.71
Foreign Portfolio Investor	14115200	11.51
Foreign Company	3639875	2.97
Mutual Funds	24839827	20.26
Domestic Company	6687543	5.45
Resident Individuals	9630755	7.85
Clearing Member	56741	0.05
NRI	202533	0.16
Financial Institutions	6190	0.01
Nationalised Bank	314	0.00
Total	122627395	100.00

xiii.	**Dematerialisation of shares and liquidity**	The Company's Equity Shares are tradable compulsorily in electronic form and are available for trading in the depository systems of both National Securities Depository Ltd (NSDL) and the Central Depository Services (India) Ltd (CDSL). The International Securities Identification Number (ISIN) of the company, as allotted by NSDL and CDSL, is INE 461C01038. Nearly 99.88% of total listed Equity Shares have been dematerialised as on March 31, 2017.

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

xv. Corporate Identity Number (CIN): L20211AS1990PLC003484

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

The Company's Policy is to take forward cover in respect of its foreign currency exposure in respect of import of raw materials and traded goods. During the financial year ended 31st March, 2017, the Company did not engage in commodity hedging activities.

xvii. Plant locations:

Plywood & allied products	Medium density fibreboard & Laminated Flooring
● P.O. Tizit, Dist: Mon, Nagaland	● Integrated Industrial Estate, Pantnagar, Udham Singh Nagar, Uttarakhand
● Kriparampur, P.O.Sukhdevpur, Dist: 24 Parganas(S), West Bengal	Plywood & reconstituted veneers
● Plot No. 910-913, G.I.D.C. Estate, Bamanbore, Dist. Surendranagar, Gujarat - 363 520	● Integrated Industrial Estate, Pantnagar, Udham Singh Nagar, Uttarakhand

xviii. Address for correspondence:

1. **Registrar & Share Transfer Agent:**
   M/s. S. K. Infosolutions Pvt. Ltd.
   34/1A, Sudhir Chatterjee Street
   Kolkata – 700 006
   Phone: (033) 2219-4815/6797
   Fax: (033) 2219-4815
   Contact Person: Mr. Dilip Bhattacharya, Director
   Email: skcdilip@gmail.com/contact@skcinfo.com

2. **Company Secretary & Vice President-Legal:**
   Mr. Kaushal Kumar Agarwal
   Greenply Industries Limited
   "Madgul Lounge"
   5th & 6th Floor
   23 Chetla Central Road
   Kolkata - 700 027, India
   Phone: (033) 3051-5000
   Fax: (033) 3051-5010
   Email : investors@greenply.com

3. **Chief Investor Relations Officer**
   Mr. Vishwanathan Venkatramani, CFO
   Greenply Industries Limited
   "Madgul Lounge"
   5th & 6th Floor
   23 Chetla Central Road
   Kolkata - 700 027, India
   Phone: (033)-3051-5000
   Fax: (033)-3051-5010
   Email : venkat@greenply.com

On behalf of the Board of Directors

Shiv Prakash Mittal
Executive Chairman
DIN: 00237242

Place: Kolkata
Date: 29.05.2017

Auditor's Certificate

To
The Members,
Greenply Industries Limited

We have examined the compliance of conditions of Corporate Governance by Greenply Industries Limited ('the Company') for the year ended on 31 March, 2017, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable to the Company.

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

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

(**Naveen Kumar Dhandaria**)
Partner
Membership No. 061127

Place: Kolkata
Dated 29 May, 2017

Declaration by the Joint Managing Director & CEO

PURSUANT TO SCHEDULE V (PART D) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING COMPLIANCE WITH CODE OF CONDUCT

To
The Members
Greenply Industries Limited

I, Shobhan Mittal (DIN: 00347517), Joint Managing Director & CEO of Greenply Industries Ltd., hereby declare that, all the members of the board of directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended on 31 March, 2017.

Shobhan Mittal
Joint Managing Director & CEO
DIN: 00347517

Dated: 29 May, 2017

Certificate by Chief Executive Officer and Chief Financial Officer

[PURSUANT TO SUB-REGULATION 8 OF REGULATION 17 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]

To
The Board of Directors
Greenply Industries Limited

We, Shobhan Mittal (DIN: 00347517), Joint Managing Director & CEO and Vishwanathan Venkatramani (PAN: ABSPV3557G), Chief Financial Officer, of Greenply Industries Limited hereby certify that:

(a) We have reviewed the financial statements and the cash flow statement for the financial year ended on 31st March, 2017 and that to the best of our knowledge and belief:

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

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

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

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

(d) We have indicated, wherever applicable, to the Auditors and the Audit Committee:

  (i) significant changes in internal control over financial reporting during the year;

  (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

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

Shobhan Mittal
Joint Managing Director & CEO
DIN: 00347517

Vishwanathan Venkatramani
Chief Financial Officer
PAN: ABSPV3557G

Dated: 29 May, 2017

Independent Auditor's Report

TO THE MEMBERS OF GREENPLY INDUSTRIES LIMITED

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone Ind AS financial statements of GREENPLY INDUSTRIES LIMITED ("the Company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31 March 2017, and its profit (financial position including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

OTHER MATTERS

The comparative financial information of the Company for the year ended 31 March 2016 and the transition

FINANCIAL STATEMENTS

Standalone Financials **123**
Consolidated Financials **183**

Independent Auditor's Report

date opening balance sheet as at 1 April 2015 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us and our reports for the years ended 31 March 2016 and 31 March 2015 dated 24 May 2016 and 25 May 2015 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of these matters.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 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" statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

   (b) In our opinion, proper books of account as required by the 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 and the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 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".

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements;

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

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016 and the same are in accordance with books of account maintained by the Company and as produced to us by the Management. (Refer Note 50).

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

(Naveen Kumar Dhandaria)
Partner
Membership No. 061127

Place of Signature : Kolkata
Dated : 29 May 2017

ANNEXURE 'A' REFERRED TO IN PARAGRAPH 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' OF OUR REPORT OF EVEN DATE RE: GREENPLY INDUSTRIES LIMITED ('THE COMPANY')

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

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties are held in the name of the Company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

(iii) The Company has granted unsecured loan to its wholly owned subsidiary company covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act"). It has not granted any loans, secured or unsecured to any other companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act.

(a) In our opinion, the rate of interest and other terms and conditions on which the loan had been granted to its wholly owned subsidiary company listed in the register maintained under section 189 of the Act were not, prima facie, prejudicial to the interest of the Company, taking into consideration the prevailing rate of interest for foreign currency loans.

(b) In the case of the loans granted to its wholly owned subsidiary company listed in the register maintained under section 189 of the Act, the principal had not fallen due for payment. However the companies are regular in payment of interest, as stipulated.

(c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.

(iv) In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees, and securities, the Company has complied with the provisions of Section 185 and 186 of the Act.

(v) The Company has not accepted any deposits from the public.

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

(vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as per annexure of Statement of Disputed Dues.

STATEMENT OF DISPUTED DUES

Sl. No.		Name of the Statute	Nature of the Dues	₹ in Lacs	Period to which the amount relates (Financial Year)	Forum where dispute is pending
A)	i)	West Bengal Sales Tax Act, 1994	Sales Tax Surcharge and Additional Surcharge Penalty (For short submission of Declaration Form 11)	10.26	1998 - 1999	Senior Joint Commissioner of Commercial Taxes, Corporate Division
	ii)	West Bengal Sales Tax Act, 1994	Sales Tax Surcharge and Additional Surcharge Penalty (For short submission of Declaration Form 11)	67.08	2000 - 2001	Assistant Commissioner of Commercial Taxes, South Circle, Kolkata.
	iii)	West Bengal Sales Tax Act, 1994	Disallowance of Input Vat and Purchase Tax	296.57	2008 - 2009	West Bengal Taxation Tribunal, Kolkata
B)	i)	Central Sales Tax Act, 1956	Sales Tax (For short submission of Declaration Form C)	17.59	2000 - 2001	Assistant Commissioner of Commercial Taxes, South Circle, Kolkata.
	ii)	Central Sales Tax Act, 1956	Sales Tax (For short submission of Declaration Form C)	8.72	2005 - 2006	West Bengal Commercial Taxes Appellate and Revision Board, Kolkata.
	iii)	Central Sales Tax Act, 1956	Sales Tax (For Non allowance of Declaration Form C and F)	74.63	2008 - 2009	Calcutta High Court, Kolkata
C)	i)	Bihar Value Added Tax Act, 2005	Denial of Entry Tax Credit	35.04	2009 - 2010	Joint Commissioner of Commercial Taxes (Appeals), East and West Division, Patna
	ii)	Bihar Value Added Tax Act, 2005	Denial of Entry Tax Credit	19.75	2008 - 2009	Joint Commissioner of Commercial Taxes (Appeals), East and West Division, Patna
	iii)	Bihar Value Added Tax Act, 2005	Denial of Entry Tax Credit	33.14	2011 - 2012	Joint Commissioner of Commercial Taxes (Appeals), East and West Division, Patna
D)	i)	Central Excise Act, 1944	For Imposition of Penalty (appeal filed by the department)	43.71	2000 - 2001 to 2005 - 2006	Before CESTAT, East Zonal Bench, Kolkata
	ii)	Central Excise Act, 1944	Alleged Short Payment of Excise Duty	370.55	2010 - 2013	Before CESTAT, Kolkata
	iii)	Central Excise Act, 1944	Penalty on Above	201.19	2010 - 2013	Before CESTAT, Kolkata
	iv)	Central Excise Act, 1944	Duty on Resin in Negative List	286.93	01.03.2006 to 28.02.2013	Before CESTAT, Meerut-II
	v)	Central Excise Act, 1944	Penalty on Above	286.93	01.03.2006 to 28.02.2013	Before CESTAT, Meerut-II
	vi)	Central Excise Act, 1944	Disallowance of Discounts	248.90	01.09.2009 to 31.03.2010	Before CESTAT, Kolkata

(viii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any bank. Further, the Company does not have any debentures and loan from financial institution or government.

(ix) During the year, the Company raised a sum of ₹ 5000 lacs through Qualified Institutional Placement (QIP). Pending utilisation of the funds so raised, the surplus funds were temporarily used for the purpose other than for which they were raised but were ultimately utilised for the stated end-use. In our opinion and according to the information and explanations given to us, the Company has utilised the entire amount for the purpose for which it was raised. The Company also raised a sum of ₹ 21115.36 lacs by way of term loans from banks and it utilised a sum of ₹ 18509.36 lacs for the purpose for which the same was taken. The balance amount of ₹ 2606 lacs remains unutilised.

(x) Based upon the audit procedures performed and according to the information and explanations given to us by the Management, no material fraud on or by the Company has been noticed or reported by the Management during the year.

(xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.

(xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.

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

(Naveen Kumar Dhandaria)
Partner
Membership No. 061127

Place of Signature : Kolkata
Dated : 29 May 2017

Independent Auditor's Report

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF GREENPLY INDUSTRIES LIMTED

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

To the Members of Greenply Industries Limited

We have audited the internal financial controls over financial reporting of GREENPLY INDUSTRIES LIMITED ("the Company") as of 31 March 2017 in conjunction with our audit of the 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 Companies Act, 2013.

AUDITOR'S 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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.

EXPLANATORY PARAGRAPH

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the financial statements of Company, which comprise the Balance Sheet as at 31 March 2017, and the related Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated 29 May 2017 expressed an unqualified opinion thereon.

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

(Naveen Kumar Dhandaria)
Partner
Membership No. 061127

Place of Signature : Kolkata
Dated : 29 May 2017

Balance Sheet

as at March 31, 2017

₹ in Lacs

	Note	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
ASSETS				
Non-current assets				
Property, Plant and Equipment	1	49927.75	52755.00	51479.54
Capital Work-in-Progress	2	21610.81	930.00	1390.70
Other Intangible Assets	3	202.51	280.94	298.22
Financial Assets				
Investments	4	7237.46	3766.21	1496.64
Loans	5	1287.11	849.67	754.90
Other Non-current Assets	6	13680.33	3050.28	2566.62
Total Non-current assets		**93945.97**	**61632.10**	**57986.62**
Current assets				
Inventories	7	15825.69	13853.01	19001.79
Financial Assets				
Investments	8	-	-	1815.73
Trade Receivables	9	30477.74	33291.59	25476.95
Cash and Cash Equivalents	10	7155.60	3159.95	714.67
Bank Balances other than above	10	4.22	4.23	4.16
Loans	11	981.97	1206.46	180.08
Other Current Assets	12	5263.28	5629.39	5060.98
Total Current assets		**59708.50**	**57144.63**	**52254.36**
Total Assets		**153654.47**	**118776.73**	**110240.98**
EQUITY AND LIABILITIES				
Equity:				
Equity Share Capital	13	1226.27	1206.82	1206.82
Other Equity	14	77475.78	60142.92	48048.76
Total Equity		**78702.05**	**61349.74**	**49255.58**
Liabilities:				
Non-current Liabilities				
Financial Liabilities				
Borrowings	15	25742.55	11547.62	12579.22
Other Financial Liabilities	16	1117.89	1148.83	1026.52
Provisions	17	2136.20	1763.61	1324.92
Deferred Tax Liabilities (Net)	18	1402.35	(28.45)	(396.37)
Total Non-current liabilities		**30398.99**	**14431.61**	**14534.29**
Current Liabilities				
Financial Liabilities				
Borrowings	19	6966.82	9699.70	12887.13
Trade Payables	20	28064.00	24903.25	22739.32
Other Financial Liabilities	21	5125.19	4633.83	7284.00
Other Current Liabilities	22	3919.35	3372.52	3143.90
Provisions	23	478.07	330.25	230.29
Current Tax Liabilities (Net)	24	-	55.83	166.47
Total Current liabilities		**44553.43**	**42995.38**	**46451.11**
Total Equity and Liabilities		**153654.47**	**118776.73**	**110240.98**
Significant Accounting Policies				
See Accompanying Notes to the Financial Statements	1 to 53			

As per our annexed report of even date.

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

(Naveen Kumar Dhandaria)
Partner
Membership No. 061127

Place of Signature : Kolkata
Dated : May 29, 2017

Shiv Prakash Mittal
Executive Chairman
(DIN : 00237242)

Susil Kumar Pal
Director
(DIN : 00268527)

Rajesh Mittal
Managing Director
(DIN : 00240900)

V. Venkatramani
Chief Financial Officer

Kaushal Kumar Agarwal
Company Secretary & VP - Legal

Statement of Profit and Loss

for the year ended March 31, 2017

₹ in Lacs

	Note	For the year ended March 31, 2017	For the year ended March 31, 2016
INCOME:			
Sale of Products		176882.53	171349.48
Other Operating Revenue		198.16	76.04
Revenue from Operations	25	177080.69	171425.52
Other Income	26	1058.30	964.10
Total Income		**178138.99**	**172389.62**
EXPENSES:			
Cost of Materials Consumed	27	68949.35	70149.64
Purchase of Stock in Trade	28	22831.81	20381.91
Changes in Inventories of Finished Goods, Stock in Trade and Stock in Process	29	(3809.48)	1519.18
Excise Duty Expense		11392.52	6776.51
Employees Benefits Expense	30	17073.57	16543.24
Finance Costs	31	1811.77	2891.07
Depreciation and Amortisation Expense	32	4853.09	4900.94
Other Expenses	33	35941.50	31968.82
Total Expenses		**159044.13**	**155131.31**
Profit before Tax		**19094.86**	**17258.31**
Current Tax		(4058.81)	(3693.83)
Earlier Years Tax		(123.66)	-
Mat Credit Entitlement		(1950.52)	(629.70)
		(6132.99)	(4323.53)
Release of Deferred Tax		545.34	181.87
Tax Expense	34	**(5587.65)**	**(4141.66)**
Profit for the Year		**13507.21**	**13116.65**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss:			
Remeasurement gain/(loss) on defined benefit plans		(236.85)	(230.89)
Release of Deferred Tax		81.97	79.91
Other Comprehensive Income, net of tax		**(154.88)**	**(150.98)**
Total Comprehensive Income for the year, net of Tax		**13352.33**	**12965.67**
Earnings per Equity Share - Basic and Diluted	35	**11.08**	**10.87**
Significant Accounting Policies			
See Accompanying Notes to the Financial Statements	1 to 53		

As per our annexed report of even date.

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

(Naveen Kumar Dhandaria)
Partner
Membership No. 061127

Place of Signature : Kolkata
Dated : May 29, 2017

Shiv Prakash Mittal
Executive Chairman
(DIN : 00237242)

Susil Kumar Pal
Director
(DIN : 00268527)

Rajesh Mittal
Managing Director
(DIN : 00240900)

V. Venkatramani
Chief Financial Officer

Kaushal Kumar Agarwal
Company Secretary & VP - Legal

Cash Flow Statement

for the year ended March 31, 2017

₹ in Lacs

	For the year ended March 31, 2017		For the year ended March 31, 2016	
A. CASH FLOW ARISING FROM OPERATING ACTIVITIES:				
Profit before Tax		19094.86		17258.31
Adjustments for:				
Depreciation and Amortisation Expense	4853.09		4900.94	
Finance Costs	1811.77		2891.07	
Re-measurement gain/(loss) on defined benefit plans	(236.85)		(230.89)	
Loss/(Gain) on Fair Valuation of Quoted Investments	0.12		(18.92)	
Provision for Doubtful Debts and Advances	230.68		57.96	
Loss on Sale and Discard of Fixed Assets	227.13		423.08	
Miscellaneous Expenditure written off	30.45		94.57	
Interest Income	(182.50)		(85.89)	
Unrealised Foreign Exchange Fluctuations	25.83		116.53	
Exchange Gain on Sale of Current Investments	-		(142.72)	
Profit on Sale of Current Investments	(38.50)		-	
Profit on Sale of Long Term Investments	-		(13.02)	
		6721.22		7992.71
Operating Profit before Working Capital Changes		25816.08		25251.02
Adjustments for:				
(Increase) / Decrease in Trade and Other Receivables	(8035.60)		(9063.48)	
(Increase) / Decrease in Inventories	(1972.68)		5148.78	
(Decrease) / Increase in Trade Payables	4171.22		2936.98	
		(5837.06)		(977.72)
Cash Generated from Operations		19979.02		24273.30
Income Tax Paid		(4179.79)		(3804.47)
Net Cash Generated from Operating Activities		15799.23		20468.83
B. CASH FLOW ARISING FROM INVESTING ACTIVITIES:				
Adjustments for:				
Acquisition of Fixed Assets		(23287.24)		(6416.26)
Interest Amount Capitalised		(485.89)		(26.51)
Acquisition of Investments		(6471.37)		(2302.33)
Loan to Wholly Owned Subsidiary		(461.11)		(994.53)
Sale of Fixed Assets		780.98		736.67
Sale of Current Investments		3038.50		1958.45
Sale of Long Term Investments		-		64.70
Refund of Loan from Wholly Owned Subsidiary		336.59		-
Interest Received		194.59		147.25
Net Cash used in Investing Activities		(26354.95)		(6832.56)
C. CASH FLOW ARISING FROM FINANCING ACTIVITIES:				
Adjustments for:				
Proceeds from Issue of Equity Capital		5000.00		-
Proceeds from Long Term Borrowings		21115.36		3000.00
Repayment of Short Term Borrowings		(2732.88)		(3187.43)
Deferred Payment Liabilities (Net)		(415.96)		(434.24)
Miscellaneous Expenditure		(30.45)		(94.57)
Repayment of Long Term Borrowings		(3775.53)		(6643.77)
Interest Paid		(1759.57)		(2910.24)
Expenses incurred on Issue of Share Capital		(128.51)		-
Processing Fees paid for Long Term Borrowings		(2152.99)		-
Dividend Paid		(724.09)		(724.09)
Corporate Dividend Tax Paid		(147.41)		(147.41)
Net Cash used in Financing Activities		**14247.97**		**(11141.75)**
Net Increase / (Decrease) in Cash and Cash Equivalents		3692.25		2494.52
Cash and Cash Equivalents at the beginning of the Year		2790.76		296.24
Cash and Cash Equivalents at the close of the Year		**6483.01**		**2790.76**

As per our annexed report of even date.

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

(Naveen Kumar Dhandaria)
Partner
Membership No. 061127

Place of Signature : Kolkata
Dated : May 29, 2017

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Chief Financial Officer

Kaushal Kumar Agarwal
Company Secretary & VP - Legal

Statement of Changes in Equity

for the year ended March 31, 2017

₹ in Lacs

A) EQUITY SHARE CAPITAL		
For the year ended 31st March, 2017		
Balance as at 1st April 2016		1206.82
Changes in equity share capital during the year		
Allotment to Qualified Institutional Investors		19.46
Balance as at 31st March 2017		**1226.27**
For the year ended 31st March, 2016		
Balance as at 1st April 2015		1206.82
Changes in equity share capital during the year		-
Balance as at 31st March 2016		**1206.82**

B) OTHER EQUITY

For the year ended 31st March, 2017

₹ in Lacs

Particulars	Reserves and Surplus			
	Securities Premium	General Reserve	Retained Earnings	Total
Balance as at 1st April 2016	-	16649.20	43493.72	60142.92
Profit for the year	-	-	13507.21	13507.21
Dividend on Equity Shares	-	-	(724.09)	(724.09)
Tax on Distribution of Dividend	-	-	(147.41)	(147.41)
Transferred from Statement of Profit and Loss	-	6500.00	-	6500.00
Transferred to General Reserve	-	-	(6500.00)	(6500.00)
Received against share issue to Qualified Institutional Investors	4980.54	-	-	4980.54
Expenses pertaining to share issue to Qualified Institutional Investors	(128.51)	-	-	(128.51)
Other Comprehensive Income/(loss) for the year:				
- Remeasurements of the net defined benefit plans	-	-	(154.88)	(154.88)
Balance as at 31st March 2017	4852.03	23149.20	49474.55	77475.78

For the year ended 31st March, 2016

₹in Lacs

Particulars	Reserves and Surplus			
	Securities Premium	General Reserve	Retained Earnings	Total
Balance as at 1st April 2015	-	10149.20	37899.56	48048.76
Profit for the year	-	-	13116.65	13116.65
Dividend on Equity Shares	-	-	(724.09)	(724.09)
Tax on Distribution of Dividend	-	-	(147.41)	(147.41)
Transferred from Statement of Profit and Loss	-	6500.00	-	6500.00
Transferred to General Reserve	-	-	(6500.00)	(6500.00)
Other Comprehensive Income/(loss) for the year:				
- Remeasurements of the net defined benefit plans	-	-	(150.99)	(150.99)
Balance as at 31st March 2016	**-**	**16649.20**	**43493.72**	**60142.92**

As per our annexed report of even date.

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

(Naveen Kumar Dhandaria)
Partner
Membership No. 061127

Place of Signature : Kolkata
Dated : May 29, 2017

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Chief Financial Officer

Kaushal Kumar Agarwal
Company Secretary & VP - Legal

Significant Accounting Policies

for the year ended March 31, 2017

1.01 DISCLOSURE OF ACCOUNTING POLICIES:

1.01.01 CORPORATE INFORMATION:

Greenply Industries Limited (the 'Company') is a public limited company domiciled in India incorporated under the provisions of the Companies Act. Its shares are listed on two recognised stock exchanges in India. The registered office of the company is located at Makum Road, P.O. Tinsukia, Assam - 786 125, India.

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

Company has three overseas wholly owned subsidiary companies viz. (a) Greenply Trading Pte. Ltd., subsidiary of the Company based out of Singapore, operates as an investment vehicle and has invested into a Joint Venture Company viz. Greenply Alkemal (Singapore) Pte. Ltd., which is also based out of Singapore. Greenply Trading Pte. Ltd. is also engaged into trading of Medium Density Fibreboards and allied products; (b) Greenply Holdings Pte. Ltd., subsidiary of the Company based out of Singapore has been incorporated during the year. (c) Greenply Middle East Ltd., subsidiary of the Company based out of Dubai has been incorporated during the year as an investment vehicle and has invested into a wholly owned subsidiary company viz. Greenply Gabon SA, Gabon, West Africa.

1.01.02 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The Financial Statements upto year ended 31 March 2016 were prepared in accordance with accounting standards notified under the Company (Accounting Standards) Rules 2006 read with Rule 7(1) of the Companies (Accounts) Rules, 2014 and the provisions of the Companies Act, 2013 (hereinafter referred to as the 'previous GAAP').

These Financial Statements are the first financial statements of the company under Ind AS - the transition date being 1 April 2015. The information as to how the company has adopted Ind AS and the impact thereof on Company's financial position, financial performance and cash flows is presented in notes to financial statements.

The financial statements have been prepared under the historical cost basis, except for the following assets and liabilities which has been measured at fair value, (i) Quoted Investments in Equity Shares, (ii) Derivative financial instruments, (iii) Biological Assets - Clonal Plantation.

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

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest lacs, except otherwise indicated. Where changes are made in presentation, the comparative figures of the previous year are regrouped and re-arranged accordingly.

1.01.03 ACCOUNTING ESTIMATES AND ASSUMPTIONS:

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

1.02 PROPERTY, PLANT AND EQUIPMENT:

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

1.02.02 Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

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

1.02.04 On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

1.02.05 The Company has exercised the option available to it under Rule 46A of the Companies (Accounting Standards) (Second Amendment) Rules, 2011 in respect of accounting for fluctuations in foreign exchange relating to "Long Term Foreign Currency Monetary Items". On transition to Ind AS, aforesaid option is not available for loans availed after 1st April 2016.

1.02.06 Property, Plant and Equipments including continuous process plants are depreciated and/or amortised on the basis of their useful lives as notified in Schedule II to the Companies Act, 2013 except in case of assets costing less than ₹ 5000 which are depreciated over their useful life as assessed by the management. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Depreciation in respect of additions to assets has been charged on pro rata basis with reference to the period when the assets are ready for use. The provision for depreciation for multiple shifts has been made in respect of eligible assets on the basis of operation of respective units. Where the historical cost of a depreciable asset undergoes a change due to increase or decrease in long term liability on account of exchange fluctuations, the depreciation on the revised unamortised depreciable amount is provided prospectively over the residual useful life of the asset.

Significant Accounting Policies

for the year ended March 31, 2017

1.02.07 An asset's carrying amount is written down immediately on discontinuation to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Profit/ Loss on Sale and Discard of Fixed Assets.

1.02.08 Useful lives of the Property, Plant and Equipment as notified in Schedule II to the Companies Act, 2013 are as follows :

Buildings - 3 to 60 years
Plant and Equipments - 15 to 25 years
Furniture and Fixtures - 10 years
Vehicles - 8 to 10 years
Office Equipments - 5 to 10 years

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

1.03 INTANGIBLE ASSETS:

1.03.01 Internally generated intangible asset under development stage is recognized when it is demonstrated that it is technically feasible to use the same and the cost incurred for developing the same is ascertained. Technical Know-how so developed internally is amortised on a straight- line basis over its estimated useful life.

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

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

1.03.04 On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.

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

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

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

1.04 INVENTORIES:

1.04.01 The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. The costs of Raw Materials, Stores and spare parts etc., consumed consist of purchase price including duties and taxes (other than those subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to the procurement.

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

1.04.03 Stock of Raw Materials, Stores and spare parts are valued at lower of cost or net realisable value; and of those in transit and at port related to these items are valued at lower of cost to date or net realisable value. Slow and non-moving material, obsolete, defective inventories are duly provided for and valued at net realisable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet. Material and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

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

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

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

1.04.07 Waste and scraps are accounted at estimated realisable value.

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

1.05 CASH FLOW STATEMENT:

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

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

1.06 FINANCIAL ASSETS:

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

1.06.02 The Company measures all equity instruments in subsidaries at cost initially and also on subsequent recognition.

1.06.03 The Company measures all quoted equity instruments other than in subsidaries at fair value on initial and subsequent recognition. Changes in fair value of quoted investments in equity shares are shown as profit/loss on fair valuation of investments in Statement of Profit and Loss.

1.06.04 Trade receivables represent receivables for goods sold by the Company upto to the end of the financial year. The amounts are generally unsecured and are usually received as per the terms of payment agreed with the customers. The amounts are presented as current assets where receivable is due within 12 months from the reporting date. They are recognised initially and subsequently measured at amortised cost.

1.06.05 The Company assesses the expected credit losses associated with its assets

Significant Accounting Policies

for the year ended March 31, 2017

carried at amortised cost. Trade receivables are impaired using the lifetime expected credit loss model under simplified approach. The Company uses a provision matrix to determine the impairment loss allowance based on its historically observed default rates over expected life of trade receivables and is adjusted for forward looking estimates. At every reporting date, the provision for such impairment loss allowance is determined and updated and the same is deducted from Trade Receivables with corresponding charge/credit to Profit and Loss.

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

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

1.07 FINANCIAL LIABILITIES:

1.07.01 Borrowings are initially recognised and subsequently measured at amortised cost, net of transaction costs incurred. The transaction costs is amortised over the period of borrowings using the effective interest method in Capital Work in Progress upto the commencement of related Plant, Property and Equipment and subsequently under finance costs in profit and loss account.

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

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

1.07.04 Trade Payables represent liabilities for goods and services provided to the Company upto to the end of the financial year. The amounts are unsecured and are usually paid as per the terms of payment agreed with the vendors. The amounts are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially and subsequently measured at amortised cost.

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

1.07.06 Derivative financial instruments are in the nature of Forward contracts and Interest rate swaps. Forward contracts are executed to hedge the foreign exchange rate with respect to liabilities for goods and services in foreign currencies. Interest rate swaps are executed to hedge the interest rate with respect to borrowings in foreign currencies.

1.07.07 Derivative financial instruments are recognised initially and subsequently at fair value through mark to market valuation obtained from banking partners. Gain or loss arising from the changes in fair value of derivatives are debited to the foreign exchange fluctuations in the statement of profit and loss.

Significant Accounting Policies

for the year ended March 31, 2017

1.08 EQUITY:

1.08.01 Equity Shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

1.08.02 Provision is made for the amount of any dividend declared and dividend distribution tax thereon, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

1.08.03 The share issue expenses and expenses related to Scheme of Arrangement are written off in five equal annual installments in accordance with the provisions of Section 35DD of the Income Tax Act, 1961. In case, where the specific amortisation is not stipulated in the scheme or agreement, such expenses are charged in the year in which it is incurred.

1.09 REVENUE RECOGNITION:

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

1.09.02 Sale of Goods: Revenue from sales of goods is recognised on transfer of significant risks and rewards of ownership to the customers. Revenue shown in the Statement of Profit and Loss are inclusive of Excise Duty and the value of self-consumption, but excludes inter-transfers, returns, trade discounts, cash discounts, other benefits passed to customers in kind, value added tax and central sales tax. Excise Duty expense has been disclosed in Statement of Profit and Loss as expenditure.

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

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

1.09.05 Dividends: Dividend from investment is recognized when the Company in which they are held declares the dividend and when the right to receive the same is established.

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

1.10 FOREIGN CURRENCY TRANSACTIONS:

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

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

1.10.03 Non-monetary items which are carried at historical cost denominated in a

Significant Accounting Policies

for the year ended March 31, 2017

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

1.11 EMPLOYEE BENEFITS:

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

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

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

1.11.04 The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss.

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

1.11.06 Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organisation established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid.

1.12 BORROWING COSTS:

1.12.01 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. Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of borrowings.

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

1.12.03 Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowings costs eligible for capitalisation.

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

1.13 SEGMENT REPORTING:

1.13.01 Operating Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM assesses the financial performance and position of the company, and makes strategic decisions. The CODM consists of the Executive Chairman, Managing Director, Joint Managing Director & CEO and Chief Financial Officer.

1.13.02 The Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products and serves different markets. The identified segments are Manufacturing and Sale of (a) Plywood and Allied products; and (b) Medium Density Fibre Boards and Allied products.

1.13.03 The analysis of geographical segment is based on the geographical location of the customers. The geographical segments considered for disclosure are (a) Sales within India include sales to customers located within India; (b) Sales outside India include sales to customers located outside India.

1.13.04 Common allocable costs are allocated to each segment according to the ratio of their respective turnover to the total turnover.

1.13.05 The Unallocated Segment includes general corporate income and expense items, which are not allocated to any business segment.

1.14 RELATED PARTY TRANSACTIONS:

1.14.01 A related party is a person or entity that is related to the reporting entity preparing its financial statements

(a) A person or a close member of that person's family is related to a reporting entity if that person; (i) has control or joint control of the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies; (i) the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others); (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member); (iii) Both entities are joint ventures of the same third party; (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity; (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity; (vi) The entity is controlled or jointly controlled by a person identified in (a); (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

1.14.02 A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

Compensation includes all employee benefits i.e. all forms of consideration paid, payable or provided by the entity,

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for the year ended March 31, 2017

or on behalf of the entity, in exchange for services rendered to the entity. It also includes such consideration paid on behalf of a parent of the entity in respect of the entity.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

1.14.03 Disclosure of related party transactions as required by the accounting standard is furnished in the Notes on Financial Statements.

1.15 LEASES:

1.15.01 The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

1.15.02 Finance leases that transfer substantially all of the risks and benefits incidental to ownership of the leased term, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and a reduction in lease liability so as to acheive a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

1.15.03 A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

1.15.04 Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Lease rentals are charged to the statement of profit and loss on straight line basis.

1.15.05 Other Current assets includes prepaid lease rentals on account of initial payment with respect to leasehold land for manufacturing units. The same being operating lease in nature, is amortised as an expense over the period of lease.

1.16 EARNINGS PER SHARE:

1.16.01 Basic earnings (loss) per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

1.16.02 For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.17 ACCOUNTING FOR TAXES ON INCOME:

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

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

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it is become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

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

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

1.17.04 MAT (Minimum Alternate Tax) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

1.18 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

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

1.18.02 Contingent liabilities are not provided for but are disclosed by way of Notes on Accounts. Contingent liabilities is disclosed in case of a present obligation from past events (a) when it is not probable that an outflow of resources will be required to settle the obligation; (b) when no reliable estimate is possible; (c) unless the probability of outflow of resources is remote.

1.18.03 Contingent assets are not accounted but disclosed by way of Notes on Accounts where the inflow of economic benefits is probable.

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1.19 CURRENT AND NON-CURRENT CLASSIFICATION:

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

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

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

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

1.20 FAIR VALUE MEASUREMENT:

1.20.01 The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

1.20.02 Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

1.20.03 The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

1.20.04 A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

1.20.05 The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

1.20.06 The assets and liabilities which has been measured at fair value are, (i) Quoted Investments in Equity Shares, (ii) Derivative financial instruments, (iii) Biological Assets - Clonal Plantation.

1.21 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS:

1.21.01 Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

1.21.02 Non-current assets and disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less cost to sell. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for

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immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

1.21.03 Non-current assets classified as held for sale are presented separately from other assets in the balance sheet. An entity shall not depreciate or amortise a non-current asset after such asset has been classified as held for sale.

1.21.04 Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

1.21.05 A disposal group qualifies as discontinued operation if it is a component of the Company that either has been disposed of, or is classified as held for sale, and; (a) represents a separate major line of business or geographical area of operations; (b) is part of a single co-ordinated plan to dispose of a seperate major line of business or geographical area of operations; (c) is a subsidiary acquired exclusively with a view to resale.

1.22 BIOLOGICAL ASSETS:

1.22.01 Biological Assets are Clonal Plants being initially and subsequently measured at fair value.

1.23 EXPENSES FOR CORPORATE SOCIAL RESPONSIBILITY:

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

1.23.02 In case, the expenditure incurred by the Company is of such a nature which gives rise to an asset, such an asset is recognised where the Company retains the control of the asset and any future economic benefit accrues to it. A liability incurred by entering into a contractual obligation is recognised to the extent to which CSR activity is completed during the year.

Notes on Financial Statements

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1. PROPERTY, PLANT AND EQUIPMENT

Particulars	GROSS BLOCK							DEPRECIATION							NET BLOCK		
	As At 01.04.2015	Addition During the year	Deduction During the year	As At 01.04.2016	Addition During The Year	Deduction During the Year	**Total As At 31.03.2017**	Upto 31.03.2015	For the year	Adjustment for Deductions	Upto 31.03.2016	For the year	Adjustment For Deductions	**Total As At 31.03.2017**	**As At 31.03.2017**	As At 31.03.2016	As At 31.03.2015
Freehold Land	2251.32	2437.85	-	4689.17	2.41	-	4691.58	-	-	-	-	-	-	-	4691.58	4689.17	2251.32
Land Development	192.48	0.32	-	192.80	-	-	192.80	-	-	-	-	-	-	-	192.80	192.80	192.48
Buildings	12026.74	565.32	0.32	12591.74	975.88	2.54	13565.08	2063.17	437.71	0.31	2500.57	465.16	2.41	2963.32	10601.76	10091.17	9963.57
Plant and Equipments	48313.50	3398.63	1042.36	50669.77	446.68	170.96	50945.49	14759.55	3447.86	601.13	17606.28	3456.11	77.31	20985.08	29960.41	33063.49	33553.95
Furniture and Fixtures	2127.54	86.00	1.47	2212.07	208.21	253.95	2166.33	411.95	239.11	0.88	650.18	226.43	194.72	681.89	1484.44	1561.89	1715.59
Vehicles	3468.34	675.74	1050.55	3093.53	1139.63	1272.70	2960.46	767.31	455.26	333.47	889.10	375.50	444.04	820.56	2139.90	2204.43	2701.03
Heavy Vehicles	156.68	-	-	156.68	-	-	156.68	103.97	11.66	-	115.63	10.71	-	126.34	30.34	41.05	52.71
Office Equipments	1428.73	79.66	4.04	1504.35	154.22	84.27	1574.30	379.84	216.73	3.22	593.35	212.26	57.83	747.78	826.52	911.00	1048.89
Total	**69965.33**	**7243.52**	**2098.74**	**75110.11**	**2927.03**	**1784.42**	**76252.72**	**18485.79**	**4808.33**	**939.01**	**22355.11**	**4746.17**	**776.31**	**26324.97**	**49927.75**	**52755.00**	**51479.54**

2. CAPITAL WORK-IN-PROGRESS

Particulars	GROSS BLOCK							DEPRECIATION							NET BLOCK		
	As At 01.04.2015	Addition During the year	Deduction During the year	As At 01.04.2016	Addition During The Year	Deduction During the Year	**Total As At 31.03.2017**	Upto 31.03.2015	For the year	Adjustment for Deductions	Upto 31.03.2016	For the year	Adjustment For Deductions	**Total As At 31.03.2017**	**As At 31.03.2017**	As At 31.03.2016	As At 31.03.2015
Capital Work-In-Progress	1390.70	717.03	1177.73	930.00	21224.22	543.41	21610.81	-	-	-	-	-	-	-	21610.81	930.00	1390.70

3. OTHER INTANGIBLE ASSETS

Particulars	GROSS BLOCK							DEPRECIATION							NET BLOCK		
	As At 01.04.2015	Addition During the year	Deduction During the year	As At 01.04.2016	Addition During The Year	Deduction During the Year	**Total As At 31.03.2017**	Upto 31.03.2015	For the year	Adjustment for Deductions	Upto 31.03.2016	For the year	Adjustment For Deductions	**Total As At 31.03.2017**	**As At 31.03.2017**	As At 31.03.2016	As At 31.03.2015
Goodwill	340.00	-	-	340.00	-	340.00	-	340.00	-	-	340.00	-	340.00	-	-	-	-
Trademarks	-	22.87	-	22.87	-	-	22.87	-	2.31	-	2.31	4.58	-	6.89	15.98	20.56	-
Computer Software	606.65	52.46	-	659.11	28.49	0.11	687.49	341.78	75.23	-	417.01	87.27	0.11	504.17	183.32	242.10	264.87
Technical Knowhow	45.20	-	-	45.20	-	-	45.20	11.85	15.07	-	26.92	15.07	-	41.99	3.21	18.28	33.35
Total	**991.85**	**75.33**	**-**	**1067.18**	**28.49**	**340.11**	**755.56**	**693.63**	**92.61**	**-**	**786.24**	**106.92**	**340.11**	**553.05**	**202.51**	**280.94**	**298.22**

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4. NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number	₹ in Lacs	Number	₹ in Lacs	Number	₹ in Lacs
Investments in Equity Instruments						
Subsidiaries - Unquoted - Fully Paid up						
Greenply Trading Pte. Limited - Equity Shares of US$ 1 each	8325000	5399.42	5875000	3765.18	2400000	1462.85
Greenply Middle East Limited - Shares of AED 100000 each	100	1820.39	-	-	-	-
Greenply Holdings Pte. Limited - Equity Shares of US$ 1 each	25000	16.74	-	-	-	-
Others - Quoted - Fully Paid up						
Himalaya Granites Ltd - Equity Shares of ₹ 10 each	-	-	-	-	380583	32.35
Indian Overseas Bank Ltd - Equity Shares of ₹ 10 each	3400	0.91	3400	1.03	3400	1.44
Total		**7237.46**		**3766.21**		**1496.64**
Aggregate amount of Quoted Investments		0.91		1.03		33.79
Aggregate amount of Unquoted Investments		7236.55		3765.18		1462.85
Total		**7237.46**		**3766.21**		**1496.64**
Aggregate Market Value of Quoted Investments		0.91		1.03		33.79

5. LOANS NON-CURRENT FINANCIAL ASSETS

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(Unsecured, considered good)			
Security Deposits	831.95	849.67	754.90
Loan to Wholly Owned Subsidiary	455.16	-	-
Total	**1287.11**	**849.67**	**754.90**

6. OTHER NON-CURRENT ASSETS

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Capital Advances	12060.04	1293.91	656.36
Unmatured Finance Charges	110.53	257.87	393.13
Prepaid Lease Rentals	1483.75	1472.49	1491.12
Security Deposits	26.01	26.01	26.01
Total	**13680.33**	**3050.28**	**2566.62**

Notes on Financial Statements

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7. INVENTORIES

(at lower of cost or net realisable value)

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Raw Materials [including in Transit ₹ 81.08 lacs (Previous year ₹ 86.36 lacs)]	5944.39	8292.20	12199.50
Stock in Process	1605.75	1151.24	1201.15
Finished Goods [including in Transit ₹ 373.02 lacs (Previous year ₹ 159.25 lacs)]	3772.60	1579.18	3356.93
Stock In Trade [including in Transit ₹ 16.78 lacs (Previous year ₹ 23.47 lacs)]	2461.59	1300.04	991.56
Stores and Spares	2041.36	1530.35	1252.65
Total	**15825.69**	**13853.01**	**19001.79**

7.1 Details of Closing Stock of Raw Materials

Paper	521.71	499.80	464.61
Timber	2750.38	4736.87	7553.35
Veneer	1738.40	1937.51	2265.76
Chemicals	439.10	454.43	374.53
Plywood, Particle Board and MDF	398.06	558.76	1394.15
Laminates, Doorskin and Cubicals	96.74	104.83	147.10
Total	**5944.39**	**8292.20**	**12199.50**

7.2 Details of Closing Stock of Stock in Process

Plywood and Blockboard	910.90	482.86	634.88
Medium Density Fibre Board	293.40	270.62	188.46
Veneer	323.67	321.41	310.93
Chemicals	57.90	53.65	50.25
Paper	19.88	22.70	16.63
Total	**1605.75**	**1151.24**	**1201.15**

7.3 Details of Closing Stock of Finished Goods

Plywood, Blockboard and Flush Doors	2368.13	888.50	2249.99
Medium Density Fibre Board	1152.98	497.34	726.97
Veneer	58.00	93.41	299.66
Wooden Flooring	193.49	99.93	80.31
Total	**3772.60**	**1579.18**	**3356.93**

7.4 Details of Closing Stock of Stock in Trade

Plywood, Blockboard and Flush Doors	1408.41	1109.81	991.56
Wallcovers	1053.18	190.23	-
Total	**2461.59**	**1300.04**	**991.56**

8. CURRENT FINANCIAL ASSETS - INVESTMENTS

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number	₹ in Lacs	Number	₹ in Lacs	Number	₹ in Lacs
Investments in Equity Instruments (at Cost)						
Subsidiaries - Held for Sale						
Unquoted - Fully Paid up						
Greenply Industries (Myanmar) Pvt Ltd - Equity Shares of KYAT 100000 each	-	-	-	-	28786	1815.73

9. TRADE RECEIVABLES

₹ in Lacs

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Outstanding for a period exceeding six months from date due for payment						
Unsecured, considered good	1042.77		489.27		430.93	
Unsecured, considered doubtful	110.77		114.76		150.13	
	1153.54		604.03		581.06	
Less: Provision for Doubtful Receivables*	463.73		261.46		315.44	
		689.81		342.57		265.62
Other Debts						
Secured, considered good	-		-		115.69	
Unsecured, considered good	29937.30		33070.00		25175.18	
	29937.30		33070.00		25290.87	
Less: Provision for Doubtful Receivables*	149.37		120.98		79.54	
		29787.93		32949.02		25211.33
Total		**30477.74**		**33291.59**		**25476.95**
Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a member		-		-		-

* as per estimate of the management

10. CASH AND CASH EQUIVALENTS

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Cash and Bank Balances			
Balances with Banks - on Current Accounts	6431.47	2726.91	228.34
Cash on Hand	51.54	63.85	67.90
	6483.01	2790.76	296.24
Term Deposits with Banks			
Maturity within 3 months	606.00	52.97	52.36
Maturity within 12 months	66.59	316.22	366.07
	672.59	369.19	418.43
Total	**7155.60**	**3159.95**	**714.67**
Bank Balances other than above			
Balances with Banks - unpaid dividend	4.22	4.23	4.16

Notes on Financial Statements

for the year ended March 31, 2017

11. LOANS - CURRENT FINANCIAL ASSETS

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(Unsecured, considered good)			
Advance to Employees			
Unsecured, considered good	193.89	149.49	141.32
Unsecured, considered doubtful	-	70.50	-
	193.89	219.99	141.32
Less : Provision for Doubtful Advances	-	70.50	-
	193.89	149.49	141.32
Loan to Wholly Owned Subsidiary	663.89	994.53	-
Insurance Claim Receivable	124.19	62.44	38.76
Total	**981.97**	**1206.46**	**180.08**

12. OTHER CURRENT ASSETS

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advance against Purchases	807.37	582.31	608.87
Prepaid Expenses	468.30	416.58	318.45
Unmatured Finance Charges	259.32	167.56	205.76
Prepaid Lease Rentals	18.93	18.63	18.63
Export Incentive Receivable	20.40	0.86	-
Import Licenses in Hand	3.57	-	-
Service Tax Input Credit Receivable	428.81	164.55	215.09
Amount due from Central Excise Authorities	2915.52	4099.16	3511.69
Advance Payment of Income Tax (Less Provision)	49.08	-	-
Advance Payment of Sales Tax	291.98	171.90	150.02
Biological Assets - Clonal Plants	-	7.84	32.47
Total	**5263.28**	**5629.39**	**5060.98**

13. EQUITY SHARE CAPITAL

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number	₹ in Lacs	Number	₹ in Lacs	Number	₹ in Lacs
13.1 Authorised						
Equity Shares of ₹ 1 each	160000000	1600.00	160000000	1600.00	-	-
Equity Shares of ₹ 5 each	-	-	-	-	32000000	1600.00
13.2 Issued, Subscribed and Fully Paid up						
Equity Shares of ₹ 1 each	122627395	1226.27	120681870	1206.82	-	-
Equity Shares of ₹ 5 each	-	-	-	-	24136374	1206.82
13.3 The reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year						
Equity Shares outstanding at the beginning of the year	120681870	1206.82	24136374	1206.82	24136374	1206.82
19,45,525 equity shares of ₹ 1 each alloted to Qualified Institutional Investors	1945525	19.46	-	-	-	-
2,41,36,374 equity shares of ₹ 5 each sub-divided into 5 equity shares of ₹ 1 each	-	-	120681870	1206.82	-	-
Equity Shares outstanding at the end of the year	122627395	1226.27	120681870	1206.82	24136374	1206.82

Notes on Financial Statements

for the year ended March 31, 2017

13.4 Terms/Rights attached to the Equity Shares

The Company has only one class of equity Shares having a par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The Company has proposed dividend as distribution to equity shareholders @ ₹ 0.60 per equity share (Previous year @ ₹ 0.60 per equity share)

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

13.5 Name of the Shareholders holding more than 5% Shares

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number	%	Number	%	Number	%
Equity Shares of ₹ 1 each						
S.M. Management Pvt. Ltd.	17717310	14.45%	17717310	14.68%	3543462	14.68%
Greenply Leasing and Finance Pvt. Ltd.	13573655	11.07%	13573655	11.25%	2714731	11.25%
Prime Holdings Pvt. Ltd.	12042800	9.82%	12042800	9.98%	2408560	9.98%
HSBC Bank (Mauritius) Ltd. a/c Jwalamukhi Investment Holdings	11884420	9.69%	11884420	9.85%	2376884	9.85%
Shiv Prakash Mittal and Shobhan Mittal on behalf of Trade Combines, Partnership Firm	11702380	9.54%	15502380	12.85%	-	-
SBI FMCG Fund	11405052	9.30%	-	-	-	-
HDFC Trustee Company Ltd.	10974455	8.95%	10856855	9.00%	1913642	7.93%
Ashish Dhawan	-	-	-	-	2369488	9.82%
Saurabh Mittal	-	-	-	-	1686457	6.99%

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

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

i. Allotted any class of shares as fully paid pursuant to contract(s) without payment being received in cash.

ii. Allotted fully paid up shares by way of bonus shares.

iii. Bought back any class of shares.

13.8 During the year, the Company has raised ₹ 5000 lacs through Qualified Institutional Placement (QIP) of Equity Shares. By making temporary investments of surplus funds into fixed deposits with banks and investments in mutual funds, the Company has earned ₹ 48.23 lacs as interest / income therefrom. The company has fully utilised ₹ 5048.23 lacs for the purposes for which the fund were so raised i.e. setting-up of new MDF manufacturing unit in Chittoor, Andhra Pradesh.

Notes on Financial Statements

for the year ended March 31, 2017

14. OTHER EQUITY

₹ in Lacs

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Capital Reserve						
As per last Balance Sheet	-		-		80.00	
Less : Transferred pursuant to Scheme of Arrangement	-	-	-	-	80.00	-
Capital Redemption Reserve						
As per last Balance Sheet	-		-		500.00	
Less : Transferred pursuant to Scheme of Arrangement	-	-	-	-	500.00	-
Securities Premium Account						
As per last Balance Sheet	-		-		11625.92	
Add: Received against share issue to Qualified Institutional Investors	4980.54		-		-	
Less : Expenses pertaining to share issue to Qualified Institutional Investors	128.51		-		-	
Less : Transferred pursuant to Scheme of Arrangement	-	4852.03	-	-	11625.92	-
General Re/serve						
As per last Balance Sheet	16649.20		10149.20		7978.58	
Add: Transferred from Statement of Profit and Loss	6500.00		6500.00		6500.00	
Less : Transferred pursuant to Scheme of Arrangement	-		-		4329.38	
		23149.20		16649.20		10149.20
Retained Earnings						
Retained Earnings other than OCI						
As per last Balance Sheet	43737.26		37992.11		36921.25	
Add : Net profit for the current year	13507.21		13116.65		12181.73	
Add : Transfer to Other Comprehensive Income	-		-		92.55	
Less : Ind AS Transition Date adjustments	-		-		13.65	
Less : Transferred pursuant to Scheme of Arrangement	-		-		3718.59	
Less : Adjustment for Depreciation on reassesment of useful lives of tangible assets	-		-		966.18	
Less : Adjusted on cancellation of Investment	-		-		5.00	
Less : Transferred to General Reserve	6500.00		6500.00		6500.00	
Less : Dividend on Equity Shares	724.09		724.09		-	
Less : Tax on Distribution of Dividend	147.41		147.41		-	
	49872.97		43737.26		37992.11	
Other Comprehensive Income (OCI)						
As per last Balance Sheet	(243.54)		(92.55)		-	
Remeasurements of the net defined benefit plans	(154.88)		(150.99)		(92.55)	
	(398.42)		(243.54)		(92.55)	
		49474.55		43493.72		37899.56
Total		**77475.78**		**60142.92**		**48048.76**

Nature and purpose of reserve:

Securities Premium Account

Security premium account is created when shares are issued at premium. The Company may issue fully paid-up bonus shares to its members out of the security premium reserve account, and company can use this reserve for buy-back of shares.

Notes on Financial Statements

for the year ended March 31, 2017

15. NON CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in Lacs

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Secured						
Term Loans						
From Banks						
Foreign Currency Loans	19253.22		4689.71		6345.66	
Rupee Loans	9483.56		8997.02		10569.43	
	28736.78		13686.73		16915.09	
Less : Current maturities of Long Term Borrowings	4321.97		3804.10		6472.74	
		24414.81		9882.63		10442.35
Deferred Payment Liabilities	1553.39		904.15		850.91	
Less: Current maturities of Deferred Payment Liabilities	429.74		278.23		209.47	
		1123.65		625.92		641.44
		25538.46		10508.55		11083.79
Unsecured						
Deferred Payment Liabilities	494.75		1559.95		2047.43	
Less: Current maturities of Deferred Payment Liabilities	290.66		520.88		552.00	
		204.09		1039.07		1495.43
Total		**25742.55**		**11547.62**		**12579.22**

15.1 (a) Term Loan from Landesbank Baden-Wurttenberg of ₹ 1361.89 lacs is secured by exclusive charge on Main Press Line of MDF plant at Pantnagar, Uttarakhand.

(b) Term Loan from Landesbank Baden-Wurttenberg of ₹ 17814.91 lacs availed during the year is secured by exclusive charge on Main Press Line of MDF plant at Chittor, Andhra Pradesh along with any other movable fixed assets financed by Landesbank Baden-Wurttenberg.

(c) Other Term Loans of ₹ 9559.98 lacs are secured by:

(i) First pari passu charge on immovable fixed assets of the Company at Kriparampur (West Bengal), Pantnagar (Uttarakhand) and Chittoor (Andhra Pradesh).

(ii) First pari passu charge on all movable fixed assets of the Company except assets specifically charged to other lender(s) (including the main press line of MDF plant at Pantnagar (Uttarakhand) and 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.

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

Notes on Financial Statements

for the year ended March 31, 2017

15.3 TERMS OF REPAYMENT AND RATE OF INTEREST

₹ in Lacs

		Repayment Schedule					
	Rate of Interest	2017-18*	2018-19	2019-20	2020-21	2021-22	2022-23 till end
Term Loans from Banks (Secured)							
2 Half Yearly Installments	2.84%	1361.89	-	-	-	-	-
4 Quarterly Installments	3.34%	897.31	-	-	-	-	-
20 Half Yearly Installments	0.50%	-	-	1781.49	1781.49	1781.49	12470.44
20 Quarterly Installments	3.75%	-	-	65.02	260.09	260.09	715.25
20 Quarterly Installments	8.30%	-	-	-	400.00	400.00	1200.00
15 Quarterly Installments	9.35%	800.00	800.00	800.00	600.00	-	-
12 Quarterly Installments	9.65%	504.00	504.00	504.00	-	-	-
12 Quarterly Installments	9.65%	500.00	500.00	500.00	-	-	-
12 Quarterly Installments	9.50%	500.00	500.00	500.00	-	-	-
Prepaid Processing Fees		(241.23)	(314.27)	(248.84)	(282.50)	(249.48)	(813.46)
		4321.97	**1989.73**	**3901.67**	**2759.08**	**2192.10**	**13572.23**
Deferred Payment Liabilities							
Secured	8% - 11%	429.74	328.10	252.98	182.32	162.51	197.74
Unsecured	8% - 11%	290.66	76.13	51.18	51.18	25.60	-
		720.40	**404.23**	**304.16**	**233.50**	**188.11**	**197.74**

* Represents Current Maturities of Long Term Borrowings.

15.4 The company has not defaulted in repayment of loans and interest during the year.

15.5 During the year, the Company has raised ₹ 21115.36 lacs by way of term loans from Banks. The company has utilised ₹ 18509.36 lacs for the purposes for which the term loans were so raised i.e. setting-up of new MDF manufacturing unit in Chittoor, Andhra Pradesh and the balance amount of ₹ 2606 lacs is unutilised.

16. NON CURRENT-OTHER FINANCIAL LIABILITIES

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Security Deposits from Customers	1117.89	1148.83	1026.52

17. NON CURRENT PROVISIONS

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provisions for Employee Benefits (unfunded)			
For Gratuity	1578.18	1240.68	947.11
For Leave Encashment	558.02	522.93	377.81
Total	**2136.20**	**1763.61**	**1324.92**

18. DEFERRED TAX LIABILITIES (NET)

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Deferred Tax Liabilities			
Depreciation	4876.59	5017.50	4928.05
Less : Deferred Tax Assets			
Provision for Gratuity/Liabilities	2066.65	1580.25	1229.02
Less : MAT Credit			
MAT Credit Entitlement	1407.59	3465.70	4095.40
Total	**1402.35**	**(28.45)**	**(396.37)**

19. CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in Lacs

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Secured						
Loans Repayable on Demand						
Working Capital Loans						
from Banks						
Rupee Loans		3405.70		2277.08		3652.97
Unsecured						
Other Loans and advances						
from Banks						
Foreign Currency Loan - Buyers' Credit	2605.89		4302.93		9124.96	
Channel Finance Assurance Facility	955.23		3119.69		-	
from Others						
Rupee Loans	-	3561.12	-	7422.62	109.20	9234.16
Total		**6966.82**		**9699.70**		**12887.13**

19.1 Working Capital Loans of ₹3405.70 lacs 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 Kriparampur (West Bengal), Pantnagar (Uttarakhand) and Chittoor (Andhra Pradesh).

(iii) Second pari passu charge on all movable fixed assets of the Company except assets specifically charged to other lender(s) (including the main press line of MDF plant at Pantnagar (Uttarakhand) and main press line of MDF plant at Chittoor (Andhra Pradesh) along with any other movable fixed assets exclusively charged to Landesbank Baden-Wurttenberg).

19.2 The company has not defaulted in repayment of loans and interest during the year.

20. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Dues to Micro and Small Enterprises (Refer Note 49)	3.78	12.72	-
Dues to Others	27979.14	24804.17	22480.29
Dues to Joint Venture	81.08	86.36	259.03
Total	**28064.00**	**24903.25**	**22739.32**

21. CURRENT-OTHER FINANCIAL LIABILITIES

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current maturities of Long Term Borrowings*	4321.97	3804.10	6472.74
Current maturities of Deferred Payment Liabilities*	720.40	799.11	761.47
Interest accrued but not due on borrowings	82.82	30.62	49.79
Total	**5125.19**	**4633.83**	**7284.00**

* The terms are stated in Notes 15.1 to 15.4

Notes on Financial Statements

for the year ended March 31, 2017

22. OTHER CURRENT LIABILITIES

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advance from Customers	913.01	747.66	810.00
Unpaid Dividends	4.22	4.23	4.16
Statutory Dues	2466.11	2180.78	1784.08
Provision for Cash Discount	366.16	300.50	285.22
Derivative Instruments-Mark to Market valuation	169.85	139.35	260.44
Total	**3919.35**	**3372.52**	**3143.90**

22.1 Amount due and outstanding to be credited to the Investor Education and Protection Fund ₹ Nil (Previous Year ₹ Nil)

23. CURRENT PROVISIONS

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provisions for Employee Benefits (unfunded)			
For Gratuity	247.27	203.67	147.98
For Leave Encashment	230.80	126.58	82.31
Total	**478.07**	**330.25**	**230.29**

24. CURRENT TAX LIABILITIES (NET)

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provision for Taxation (Net of advance tax)	-	55.83	166.47

25. REVENUE FROM OPERATIONS

₹ in Lacs

	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
Sale of Products (including Excise Duty)				
Manufactured Goods	149023.44		145757.08	
Traded Goods	27859.09		25592.40	
		176882.53		171349.48
Other Operating Revenue				
Insurance Claim	56.54		37.83	
Export Incentives	49.16		4.79	
Miscellaneous Income	92.46		33.42	
		198.16		76.04
Total		**177080.69**		**171425.52**

25.1 PARTICULARS OF SALE OF PRODUCTS

₹ in Lacs

	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
Manufactured Goods				
Plywood and Allied Products [including exports ₹ 124.74 lacs (Previous year ₹ 374.42 lacs)]	100553.13		96971.19	
Medium Density Fibre Board [including exports ₹ 2320.84 lacs (Previous year ₹ 125.36 lacs)]	45472.00		45960.47	
Wooden Flooring [including exports ₹ 292.91 lacs (Previous year ₹ 36.79 lacs)]	2166.04		1586.28	
Others	832.27		1239.14	
		149023.44		145757.08
Traded Goods				
Plywood and Allied Products	26841.91		25163.20	
Wallcovers	1017.18		429.20	
		27859.09		25592.40
Total		**176882.53**		**171349.48**

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

26. OTHER INCOME

₹ in Lacs

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Excise Duty Refund	620.87	593.79
Commission on Corporate Guarantee	33.34	2.90
Liabilities no longer required written back	182.49	193.54
Rental Income	0.60	17.22
Interest Income	182.50	85.89
Profit on Sale of Current Investments	38.50	-
Management Fees	-	6.10
Service Tax Refund	-	51.64
Profit on Sale of Long Term Investments	-	13.02
Total	**1058.30**	**964.10**

27. COST OF MATERIALS CONSUMED

₹ in Lacs

	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
Paper		1289.12		1310.79
Timber		28718.59		33614.48
Veneer		18133.63		15536.77
Chemicals		15452.83		14648.37
Plywood, Particle Board and MDF		5036.22		4582.40
Laminates, Doorskin and Cubicals		318.96		456.83
Total		**68949.35**		**70149.64**
	(%)		(%)	
Imported	25%	17455.96	32%	22765.35
Indigenous	75%	51493.39	68%	47384.29
Total	**100%**	**68949.35**	**100%**	**70149.64**

27.1 Cost of Materials Consumed includes cost of materials sold ₹ 750.08 lacs (Previous year ₹1016.42 lacs)

Notes on Financial Statements

for the year ended March 31, 2017

28. PURCHASE OF STOCK IN TRADE

₹ in Lacs

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Plywood and Allied Products	21349.18	19995.19
Wallcovers	1482.63	386.72
Total	**22831.81**	**20381.91**

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

₹ in Lacs

	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
Opening Stock				
Finished Goods	1579.18		3356.93	
Stock in Trade	1300.04		991.56	
Stock in Process	1151.24	4030.46	1201.15	5549.64
Closing Stock				
Finished Goods	3772.60		1579.18	
Stock in Trade	2461.59		1300.04	
Stock in Process	1605.75	7839.94	1151.24	4030.46
Total		**(3809.48)**		**1519.18**

30. EMPLOYEES BENEFITS EXPENSE

₹ in Lacs

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Salary, Wages and Bonus	15901.40	15453.70
Contribution to Provident Fund and Employees' State Insurance	856.37	813.39
Employees' Welfare Expenses	315.80	276.15
Total	**17073.57**	**16543.24**

30.1 DISCLOSURES REGARDING EMPLOYEE BENEFITS

i) **Defined Contribution Plan:** Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organisation established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

ii) **Defined Benefit Plan:** Retirement benefits in the form of Gratuity and Leave Encashment are considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972.

As the Company has not funded its liability, it has nothing to disclose regarding plan assets and its reconciliation.

Notes on Financial Statements

for the year ended March 31, 2017

iii) Acturial Valuation of Gratuity Liability :

₹ in Lacs

		For the year ended 31st March, 2017	For the year ended 31st March, 2016
a)	**Defined Benefit Cost**		
	Current Service Cost	229.02	197.02
	Interest Expense on Defined Benefit Obligation (DBO)	111.18	87.61
	Defined Benefit Cost included in Profit and Loss	**340.20**	**284.63**
	Remeasurements - Due to Financial Assumptions	142.55	136.47
	Remeasurements - Due to Experience Adjustments	7.60	30.38
	Defined Benefit Cost included in Other Comprehensive Income	**150.15**	**166.85**
	Total Defined Benefit Cost in Profit and Loss and OCI	**490.35**	**451.48**
b)	**Movement in Defined benefit liability:**		
	Opening Defined Benefit Obligation	1444.35	1095.09
	Interest Expense on Defined Benefit Obligation (DBO)	111.18	87.61
	Current Service Cost	229.02	197.02
	Total Remeasurements included in OCI	150.15	166.85
	Less: Benefits paid	(109.25)	(102.22)
	Closing benefit obligation	**1825.45**	**1444.35**
	Current Liabilities of Closing benefit obligation	247.27	203.67
	Non-Current Liabilities of Closing benefit obligation	1578.18	1240.68
		1825.45	**1444.35**

		% Change	DBO	% Change	DBO
c)	**Sensitivity Analysis:**				
	Under Base Scenario	0.0%	1825.45	0.0%	1444.35
	Salary Escalation - Increase by 1%	9.7%	2002.31	10.8%	1600.11
	Salary Escalation - Decrease by 1%	-8.4%	1671.79	-9.4%	1307.88
	Withdrawl Rates - Increase by 1%	0.2%	1829.49	1.1%	1460.24
	Withdrawl Rates - Decrease by 1%	-0.3%	1819.98	-0.9%	1431.35
	Discount Rates - Increase by 1%	-7.8%	1682.90	-9.2%	1311.40
	Discount Rates - Decrease by 1%	9.1%	1992.25	10.7%	1598.55

d)	**Actuarial assumptions:**		
	Mortality Table	IALM 2006-2008	IALM 2006-2008
	Discount Rate (per annum)	7.00%	8.00%
	Rate of escalation in salary (per annum)	6.00%	6.00%
	Withdrawal rate	1% - 8%	1% - 8%

Notes on Financial Statements

for the year ended March 31, 2017

iv) Acturial Valuation of Leave Encashment Liability :

₹ in Lacs

		For the year ended 31st March, 2017	For the year ended 31st March, 2016
a)	**Net Employee Expense/(benefit):**		
	Current Service Cost	137.82	185.06
	Interest Expense on Defined Benefit Obligation (DBO)	46.69	36.81
	Defined Benefit Cost included in Profit and Loss	**184.51**	**221.87**
	Remeasurements - Due to Financial Assumptions	25.80	35.14
	Remeasurements - Due to Experience Adjustments	60.89	28.90
	Defined Benefit Cost included in Other Comprehensive Income	**86.69**	**64.04**
	Total Defined Benefit Cost in Profit and Loss and OCI	**271.20**	**285.91**
b)	**Movement in Defined benefit liability:**		
	Opening Defined Benefit Obligation	649.51	460.11
	Interest Expense on Defined Benefit Obligation (DBO)	46.69	36.81
	Current Service Cost	137.82	185.06
	Total Remeasurements included in OCI	86.69	64.04
	Less: Benefits paid	(131.89)	(96.51)
	Closing benefit obligation	**788.82**	**649.51**
	Current Liabilities of Closing benefit obligation	230.80	126.58
	Non-Current Liabilities of Closing benefit obligation	558.02	522.93
		788.82	**649.51**

c)	**Sensitivity Analysis:**	% Change	DBO	% Change	DBO
	Under Base Scenario	0.0%	788.82	0.0%	649.51
	Salary Escalation - Increase by 1%	4.2%	821.84	12.1%	728.06
	Salary Escalation - Decrease by 1%	-3.9%	757.94	-10.4%	581.71
	Attrition Rates - Increase by 1%	0.2%	790.73	1.1%	656.66
	Attrition Rates - Decrease by 1%	-0.2%	787.16	-0.9%	643.67
	Discount Rates - Increase by 1%	-3.3%	763.02	-10.2%	583.44
	Discount Rates - Decrease by 1%	3.6%	816.99	12.0%	727.27

d)	**Actuarial assumptions:**		
	Mortality Table	IALM 2006-2008	IALM 2006-2008
	Discount Rate (per annum)	7.00%	8.00%
	Rate of escalation in salary (per annum)	6.00%	6.00%
	Attrition rate	1% - 8%	1% - 8%

v) Amount incurred as expense for defined contribution to Provident Fund is ₹ 675.25 lacs (Previous Year ₹ 666.48 lacs).

Notes on Financial Statements

for the year ended March 31, 2017

31. FINANCE COSTS

₹ in Lacs

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Interest Expense	1720.02	2730.60
Other Borrowing Cost - Loan Processing Fees	91.75	160.47
Total	**1811.77**	**2891.07**

i) Borrowing cost capitalised during the year as per weighted average cost of capital is ₹ 485.89 lacs (Previous Year ₹ 26.51 lacs).

32. DEPRECIATION AND AMORTISATION EXPENSE

₹ in Lacs

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Depreciation of Plant, Property and Equipment	4746.17	4808.33
Amortisation of Intangible Assets	106.92	92.61
Total	**4853.09**	**4900.94**

33. OTHER EXPENSES

₹ in Lacs

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Consumption of Stores and Spares	1644.80	1633.88
Power and Fuel	6828.30	6589.11
Rent	960.99	793.55
Repairs to Buildings	153.58	141.22
Repairs to Machinery	1239.70	1123.95
Insurance	345.15	269.81
Rates and Taxes	551.11	477.73
Travelling Expenses	1674.32	1682.07
Freight and Delivery Expenses	10013.70	9578.67
Export Expenses	656.84	44.81
Advertisement and Sales promotion	6241.98	4863.80
Independent Directors' Commission*	69.00	68.70
Directors' Sitting Fees*	29.19	24.61
Auditors' Remuneration	25.01	25.11
Secretarial Auditor's Remuneration	1.00	1.00
Donation	38.89	24.40
Corporate Social Responsibility (CSR) Expenses	317.93	262.19
Bank Charges	125.75	157.40
Loss on Sale and Discard of Fixed Assets	227.13	423.08
Miscellaneous Expenditure written off	30.45	94.57
Amortisation of Prepaid Lease Rentals	18.84	18.63
Loss/(Gain) on Fair Valuation of Quoted Investments	0.12	(18.92)
Provision for Doubtful Debts and Advances	230.68	57.96
Loss/(Gain) due to Fluctuation in Foreign Exchange Rates	365.37	(38.95)
Other General Expenses	4151.67	3670.44
Total	**35941.50**	**31968.82**

* inclusive of service tax

Notes on Financial Statements

for the year ended March 31, 2017

₹ in Lacs

	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
33.1 CONSUMPTION OF STORES AND SPARES				
	(%)		(%)	
Imported	24%	391.61	23%	373.14
Indigenous	76%	1253.19	77%	1260.74
Total	**100%**	**1644.80**	**100%**	**1633.88**
33.2 AUDITORS' REMUNERATION				
As Auditors		22.22		22.11
For Other Services - Certifications		2.79		3.00
Total		**25.01**		**25.11**
Note : Fees are exclusive of Cenvatable Service Tax				
33.3 DETAILS OF CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENSES:				
(a) Gross Amount required to be spent by the Company during the year		307.26		293.03
(b) Amount spent during the year in cash on :				
(i) Construction/acquisition of any asset		-		15.50
(ii) On purposes other than (i) above				
- Contribution towards Women Empowerment		-		2.40
- Contribution towards Healthcare		-		6.87
- Contribution towards Vocational Skill Development		-		24.92
- Contribution towards Child Care and Nutrition		-		10.50
- Contribution towards Plantation activities		77.93		-
- Contribution to a trust i.e. Greenply Foundation		240.00		202.00
Total		**317.93**		**262.19**

34. TAXATION

₹ in Lacs

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Tax Expense recognised in the Statement of Profit and Loss:		
Current Tax Expense	4058.81	3693.83
Mat Credit Entitlement	1950.52	629.70
Income Tax Expense	6009.33	4323.53
Earlier Years Tax Expense	123.66	-
Income Tax Expense including Earlier year tax	6132.99	4323.53
Release of Deferred Tax	(545.34)	(181.87)
Total Tax Expense in Statement of Profit and Loss	5587.65	4141.66
Release of Deferred Tax in Other Comprehensive Income	(81.97)	(79.91)
Total Tax Expense in Total Comprehensive Income	**5505.68**	**4061.75**
Reconciliation of Tax Expense recognised in the Statement of Profit and Loss:		
Profit before Tax as per Statement of Profit and Loss	19094.86	17258.31
Re-measurement gain/(loss) on defined benefit plans in OCI	(236.85)	(230.89)
Changes in Profit before tax due to Ind AS Transition	-	245.56
Accounting Profit before Tax	18858.01	17272.98
Applicable Income Tax rate	34.608%	34.608%

Notes on Financial Statements

for the year ended March 31, 2017

₹ in Lacs

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Computed Tax expense	6526.38	5977.83
Additional deductions for tax purpose	(1115.77)	(1681.62)
Expense not allowed for tax purpose	129.15	30.22
Timing difference of Depreciation	140.91	(150.07)
Timing difference of Liabilities	328.62	147.17
Fair Valuation of Quoted Investments	0.04	-
Income Tax charged to Statement of Profit and Loss	**6009.33**	**4323.53**
Reconciliation of Deferred Tax Liability:		
Timing difference of Depreciation	(140.91)	89.45
Timing difference of Liabilities	(327.46)	(207.63)
Fair Valuation of Quoted Investments	(0.04)	(8.52)
Indexation difference of Freehold Land	(76.93)	(55.17)
Release of Deferred Tax in Statement of Profit and Loss	(545.34)	(181.87)
Timing difference of Liabilities in Other Comprehensive Income	(81.97)	(79.91)
Release of Deferred Tax in Total Comprehensive Income	**(627.31)**	**(261.78)**

35. EARNINGS PER SHARE

		For the year ended 31st March, 2017	For the year ended 31st March, 2016
Basic and Diluted Earnings Per Share:			
Number of Equity Shares at the beginning of the year		120681870	120681870
Number of Equity Shares alloted on 16.08.2016		1945525	-
Number of Equity Shares at the end of the year		122627395	120681870
Weighted average number of equity shares		121897157	120681870
Profit for the year (after tax, available for equity shareholders)	₹ in Lacs	13507.21	13116.65
Basic and Diluted Earnings Per Share	₹	**11.08**	**10.87**

36. SEGMENT REPORTING

Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company. As part of Secondary reporting, revenues are attributed to geographical areas based on the location of the customers. The following table present the revenue, profit, assets and liabilities information relating to the business / geographical segment for the year ended 31st March, 2017

Notes on Financial Statements

for the year ended March 31, 2017

Information about Business Segments - Primary

₹ in Lacs

REPORTABLE SEGMENT	Plywood and Allied Products		Medium Density Fibre Board and Allied Products		Un Allocated		Total	
	For the year ended		For the year ended		For the year ended		For the year ended	
	31.03.2017	31.03.2016	**31.03.2017**	31.03.2016	**31.03.2017**	31.03.2016	**31.03.2017**	31.03.2016
REVENUE								
External Sales	128191.30	123312.72	47674.05	47607.56	1017.18	429.20	176882.53	171349.48
Inter-segment Sales	-	-	-	-	-	-	-	-
Gross Sales	128191.30	123312.72	47674.05	47607.56	1017.18	429.20	176882.53	171349.48
Other Operating Income	129.82	49.89	68.34	26.15	-	-	198.16	76.04
Revenue from Operation	**128321.12**	**123362.61**	**47742.39**	**47633.71**	**1017.18**	**429.20**	**177080.69**	**171425.52**
RESULT								
Segment Result	12925.84	10777.86	11727.76	12618.97	(259.99)	(85.79)	24393.61	23311.04
Unallocated Expenses net of Unallocable Income					3669.48	3247.55	3669.48	3247.55
Operating Profit							20724.13	20063.49
Less : Interest Expense					1811.77	2891.07	1811.77	2891.07
Add : Interest Income					182.50	85.89	182.50	85.89
Profit before Tax							19094.86	17258.31
Current Tax including Earlier Year Tax							(6132.99)	(4323.53)
Deferred Tax							545.34	181.87
Profit after Tax							13507.21	13116.65
Other Comprehensive Income							(154.88)	(150.98)
Total Comprehensive Income for the year, net of Tax							**13352.33**	**12965.67**
OTHER INFORMATION								
Segment Assets	71113.70	70942.96	74970.23	42175.79	7570.54	5657.98	153654.47	118776.73
Segment Liabilities	25900.15	23833.78	7877.95	6026.94	2020.23	1744.19	35798.33	31604.91
Loan Fund					37751.74	25850.53	37751.74	25850.53
Deferred Tax Liabilities (Net)					1402.35	(28.45)	1402.35	(28.45)
Shareholders' Funds					78702.05	61349.74	78702.05	61349.74
Total Liabilities							**153654.47**	**118776.73**
Capital Expenditure	1750.23	2771.18	20953.43	2904.38	583.58	740.70	23287.24	6416.26
Depreciation	2426.38	2559.36	2033.83	1955.32	392.88	386.26	4853.09	4900.94

Secondary Segment - Geographical by location of customers

₹ in Lacs

	Revenue		Carrying Amount of Segment Assets		Additions to Fixed Assets	
	For the year ended		For the year ended		For the year ended	
	31.03.2017	31.03.2016	**31.03.2017**	31.03.2016	**31.03.2017**	31.03.2016
Within India	174342.20	170888.95	153234.65	118652.76	23287.24	6416.26
Outside India	2738.49	536.57	419.82	123.97	-	-
Total	**177080.69**	**171425.52**	**153654.47**	**118776.73**	**23287.24**	**6416.26**

NOTES:

a) Business Segments :

A description of the types of products and services provided by each reportable segment is as follows:

Plywood and Allied Products: The Segment is engaged in the business of manufacturing and trading of Plywood, block boards, veneer, doors and other wood panel products through its wholesale and retail network.

Notes on Financial Statements

for the year ended March 31, 2017

Medium Density Fibre Boards and Allied Products: The Segment is engaged in the business of manufacturing of Medium Density Fibre Boards and other allied products through its wholesale and retail network.

b) Segment Assets and Liabilities :

All Segment Assets and liabilities are directly attributable to the segment. Segment assets include all operating assets used by the segment and consist principally of fixed assets, inventories, sundry debtors, advances and operating cash and bank balances. Segment assets and liabilities do not include share capital, reserves and surplus, borrowings, proposed dividend and income tax (both current and deferred).

c) Segment Revenue and Expenses :

Segment revenue and expenses are directly attributable to the segment. It does not include dividend income, profit on sale of investments, interest income, interest expense, other expenses which cannot be allocated on a reasonable basis and provision for income tax (both current and deferred). 'Unallocated Expenses net of Unallocable Income' include Corporate Expenses which cannot be allocated on a reasonable basis and exceptional items.

37. RELATED PARTY DISCLOSURES

37.1 List of related parties and relationship:

a) Related parties where control exists

Wholly Owned Subsidiary Companies

i) Greenply Trading Pte. Ltd., Singapore
ii) Greenply Holdings Pte. Ltd., Singapore
iii) Greenply Middle East Ltd., Dubai
iv) Greenply Gabon SA, Gabon (Subsidiary of Greenply Middle East Ltd., Dubai)

Company in which a Subsidiary is a Joint Venture Partner

i) Greenply Alkemal (Singapore) Pte. Ltd., Singapore

b) Related parties with whom transactions have taken place during the year.

Key Management Personnel/Director

i) Mr. Shiv Prakash Mittal, Executive Chairman
ii) Mr. Rajesh Mittal, Managing Director
iii) Mr. Shobhan Mittal, Joint Managing Director & CEO
iv) Mr. Susil Kumar Pal, Independent Director
v) Mr. Vinod Kumar Kothari, Independent Director
vi) Mr. Anupam Kumar Mukerji, Independent Director
vii) Mr. Upendra Nath Challu, Independent Director
viii) Ms. Sonali Bhagwati Dalal, Independent Director
ix) Mr. Moina Yometh Konyak, Non-Executive Director
x) Mr. V. Venkatramani, Chief Financial Officer
xi) Mr. Kaushal Kumar Agarwal, Company Secretary & VP - Legal

Enterprises Owned/Influenced by Key Management Personnel or their relatives

i) Prime Holdings Pvt. Ltd.
ii) Trade Combines
iii) RS Homcon Ltd.
iv) Greenlam Industries Ltd.

Relatives of Key Management Personnel

i) Mrs. Chitwan Mittal (Wife of Mr. Shobhan Mittal)
ii) Mrs. Surbhi Poddar (Daughter of Mr. Rajesh Mittal)
iii) Mr. Sanidhya Mittal (Son of Mr. Rajesh Mittal)

Notes on Financial Statements

for the year ended March 31, 2017

37.2 Transactions During the year:

₹ in Lacs

Particulars	Wholly Owned Subsidiary Companies		Joint Venture Companies		Key Management Personnel / Director		Enterprises Owned/ Influenced by Key Management Personnel or their relatives		Relatives of Key Management Personnel	
	2016-17	2015-16	**2016-17**	2015-16	**2016-17**	2015-16	**2016-17**	2015-16	**2016-17**	2015-16
Sale of Products										
Greenlam Industries Ltd.	-	-	-	-	-	-	122.05	168.42	-	-
Greenply Trading Pte. Ltd.	1671.52	101.64	-	-	-	-	-	-	-	-
Total	**1671.52**	**101.64**	**-**	**-**	**-**	**-**	**122.05**	**168.42**	**-**	**-**
Rental Income										
Greenlam Industries Ltd.	-	-	-	-	-	-	0.60	0.60	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**0.60**	**0.60**	**-**	**-**
Recovery of Bank Charges on SBLC										
Greenply Trading Pte. Ltd.	22.69	24.90	-	-	-	-	-	-	-	-
Total	**22.69**	**24.90**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Commission on Corporate Guarantee/SBLC										
Greenply Alkemal (Singapore) Pte. Ltd.	-	-	31.00	2.90	-	-	-	-	-	-
Greenply Middle East Ltd.	2.34	-	-	-	-	-	-	-	-	-
Total	**2.34**	**-**	**31.00**	**2.90**	**-**	**-**	**-**	**-**	**-**	**-**
Interest Income on Loan Given										
Greenply Trading Pte. Ltd.	78.03	0.82	-	-	-	-	-	-	-	-
Greenply Middle East Ltd.	10.11	-	-	-	-	-	-	-	-	-
Total	**88.14**	**0.82**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Purchase of Products										
Greenlam Industries Ltd.	-	-	-	-	-	-	209.86	208.20	-	-
Greenply Trading Pte. Ltd.	44.04	-	-	-	-	-	-	-	-	-
Greenply Alkemal (Singapore) Pte. Ltd.	-	-	968.73	2023.56	-	-	-	-	-	-
Total	**44.04**	**-**	**968.73**	**2023.56**	**-**	**-**	**209.86**	**208.20**	**-**	**-**
Payment towards Services received										
Prime Holdings Pvt. Ltd.	-	-	-	-	-	-	17.83	16.98	-	-
Trade Combines	-	-	-	-	-	-	3.24	3.09	-	-
RS Homcon Ltd.	-	-	-	-	-	-	7.06	5.60	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**28.13**	**25.67**	**-**	**-**
Loan Given										
Greenply Trading Pte. Ltd.	-	993.71	-	-	-	-	-	-	-	-
Greenply Middle East Ltd.	474.88	-	-	-	-	-	-	-	-	-
Total	**474.88**	**993.71**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Refund of Loan Given										
Greenply Trading Pte. Ltd.	336.59	-	-	-	-	-	-	-	-	-
Total	**336.59**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Guarantee Given (SBLC)										
Greenply Trading Pte. Ltd	-	993.71	-	-	-	-	-	-	-	-
Greenply Middle East Ltd.	650.23	-	-	-	-	-	-	-	-	-
Total	**650.23**	**993.71**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Corporate Guarantee Given										
Greenply Alkemal (Singapore) Pte. Ltd.	-	-	975.34	993.71	-	-	-	-	-	-
Total	**-**	**-**	**975.34**	**993.71**	**-**	**-**	**-**	**-**	**-**	**-**

₹ in Lacs

Particulars	Wholly Owned Subsidiary Companies		Joint Venture Companies		Key Management Personnel / Director		Enterprises Owned/ Influenced by Key Management Personnel or their relatives		Relatives of Key Management Personnel	
	2016-17	2015-16	**2016-17**	2015-16	**2016-17**	2015-16	**2016-17**	2015-16	**2016-17**	2015-16
Remuneration Paid										
Shri Shiv Prakash Mittal	-	-	-	-	531.56	504.21	-	-	-	-
Shri Rajesh Mittal	-	-	-	-	520.08	492.73	-	-	-	-
Shri Shobhan Mittal	-	-	-	-	405.71	440.44	-	-	-	-
Mr. Susil Kumar Pal	-	-	-	-	16.70	15.70	-	-	-	-
Mr. Vinod Kumar Kothari	-	-	-	-	16.50	13.50	-	-	-	-
Mr. Anupam Kumar Mukerji	-	-	-	-	15.30	15.90	-	-	-	-
Mr. Upendra Nath Challu	-	-	-	-	14.50	14.50	-	-	-	-
Ms. Sonali Bhagwati Dalal	-	-	-	-	12.00	11.60	-	-	-	-
Mr. Moina Yometh Konyak	-	-	-	-	10.40	10.40	-	-	-	-
Mr. V. Venkatramani	-	-	-	-	76.23	78.02	-	-	-	-
Mr. Kaushal Kumar Agarwal	-	-	-	-	37.89	39.50	-	-	-	-
Mrs. Chitwan Mittal	-	-	-	-	-	-	-	-	21.22	14.21
Mrs. Surbhi Poddar	-	-	-	-	-	-	-	-	14.21	11.37
Mr. Sanidhya Mittal	-	-	-	-	-	-	-	-	19.61	17.05
Total	**-**	**-**	**-**	**-**	**1656.87**	**1636.50**	**-**	**-**	**55.04**	**42.63**
Equity Capital Contribution										
Greenply Trading Pte. Ltd.	1634.24	2302.33	-	-	-	-	-	-	-	-
Greenply Middle East Ltd.	1820.39	-	-	-	-	-	-	-	-	-
Greenply Holdings Pte. Ltd.	16.74	-	-	-	-	-	-	-	-	-
Total	**3471.37**	**2302.33**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Sale of Equity Investments										
Greenply Alkemal (Singapore) Pte. Ltd.	-	-	-	1958.45	-	-	-	-	-	-
Mr. Saurabh Mittal	-	-	-	-	-	-	-	-	-	64.70
Total	**-**	**-**	**-**	**1958.45**	**-**	**-**	**-**	**-**	**-**	**64.70**
Amount outstanding as at Balance Sheet date:										
Trade Payable										
Greenply Alkemal (Singapore) Pte. Ltd.	-	-	81.08	86.36	-	-	-	-	-	-
Total	**-**	**-**	**81.08**	**86.36**	**-**	**-**	**-**	**-**	**-**	**-**
Trade Receivable										
Greenply Trading Pte. Ltd.	376.68	41.43	-	-	-	-	-	-	-	-
Greenlam Industries Ltd.	-	-	-	-	-	-	0.61	-	-	-
Total	**376.68**	**41.43**	**-**	**-**	**-**	**-**	**0.61**	**-**	**-**	**-**
Loan and Advances Receivable										
Greenply Trading Pte. Ltd.	663.89	994.53	-	-	-	-	-	-	-	-
Greenply Middle East Ltd.	455.16	-	-	-	-	-	-	-	-	-
Total	**1119.05**	**994.53**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Remuneration Payable										
Shri Shiv Prakash Mittal	-	-	-	-	286.42	259.09	-	-	-	-
Shri Rajesh Mittal	-	-	-	-	286.42	259.09	-	-	-	-
Shri Shobhan Mittal	-	-	-	-	286.42	259.09	-	-	-	-
Total	**-**	**-**	**-**	**-**	**859.26**	**777.27**	**-**	**-**	**-**	**-**

37.3 Investments by the loanee in the shares of the parent Company and its subsidiary companies, when the Company has made a loan or advance in the nature of loan ₹ Nil (Previous Year ₹ Nil)

Notes : Related Party Relationship is as identified by the Company and relied upon by the Auditors.

Notes on Financial Statements

for the year ended March 31, 2017

38. FIRST-TIME ADOPTION OF IND AS:

These are company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out herein have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2015 (the company's date of transition). In preparing its opening Ind AS balance sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP).

Following notes explains the effect of transition from previous GAAP to Ind AS on the company's financial position, financial performance and cash flows.

38.1 Business Combinations:

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date. The company has elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated.

38.2 Carrying value of Property, Plant and Equipment:

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. The company has elected to apply to measure all of its property, plant and equipment, and intangible assets at their previous GAAP carrying value.

38.3 Estimates:

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in confirmity with previous GAAP. The company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

(i) Quoted Investments in Equity Shares carried at fair value through Profit and Loss;

(ii) Derivative financial instruments carried at fair value;

(iii) Impairment of trade receivables based on expected credit loss model.

38.4 Fair Valuation of Investments:

Under the previous GAAP, investments in equity instruments were classified as long-term investments or current investments based on the intended holding period and realisability. Long term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value, except in case of investments in subsidaries where an option to carry at cost less impairment is available.

Accordingly, equity investments in subsidaries have been carried at cost resulting in no changes. Investments in quoted equity shares have been measured at fair value through profit and loss (FVTPL), resulting in increase of ₹ 24.83 lacs in investments and retained earnings on transition date. Subsequently, during year ended 31 March 2016 profit increased by ₹ 18.92 lacs and profit on sale of investments decreased by ₹ 43.53 lacs due to fair valuation along with corresponding impact on investments. As such, net increase in investments on account of fair valuation as on 31 March 2016 is ₹ 0.21 lacs.

Notes on Financial Statements

for the year ended March 31, 2017

38.5 Leasehold Land:

Under Ind AS, classification of lease into operating or finance is based on various principles. A lease is classified as finance lease if it transfers substantially all the risks and rewards incidental to ownership. Leasehold lands held by the company have present value of minimum lease payments lesser than the fair value on date of inception of lease and as such the same is reclassified as operating lease and have been shown as Prepaid Lease rentals under current assets. Cost of leasehold land comprised of upfront amount paid on inception of lease. As such leasehold land of ₹ 1526.13 lacs under fixed assets on transition date has been reclassified to Prepaid Lease rentals of ₹ 1509.75 lacs and ₹ 16.38 lacs has been charged to retained earnings.

38.6 Borrowings:

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit and loss over the tenure of the borrowings as part of the interest expense by applying the effective interest rate method. Under previous GAAP, these transaction costs were charged to profit and loss as and when incurred, or were capitalised to plant and machinery if the same pertains to new project or expansion of existing facility.

Accordingly on transition date, borrowings are reduced by ₹ 172.14 lacs with corresponding credit to retained earnings. Subsequently, during year ended 31 March 2016 interest cost and borrowings has increased by ₹ 90.62 lacs on account of application of effective interest rate method.

38.7 Proposed Dividend:

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting.

Accordingly, the liability for proposed dividend of ₹ 724.09 lacs and dividend distribution tax of ₹ 147.41 lacs on transition date has been derecognised in the retained earnings.

Liability for proposed dividend of ₹ 724.09 lacs and dividend distribution tax of ₹ 147.41 lacs which was dereognised on the transition date, has been recognised in the retained earnings during the year ended 31 March 2016, as declared and paid.

38.8 Excise Duty:

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended 31 March 2016 by ₹ 6776.51 lacs. There is no impact on total equity and profit.

Company's Tizit unit is entitled to refund of excise duty which was accounted as part of revenue from sale of goods under previous GAAP. Under Ind AS, the same shall be recognised as Other Income. As such, refund of excise duty of ₹ 593.79 lacs for the year ended 31 March 2016 has been reclassified to Other Income. There is no impact on total equity and profit.

38.9 Biological Assets:

Under the previous GAAP, Clonal Plants were a part of inventory and were valued at lower of cost or net realisable value. Under Ind AS, Clonal Plants are not considered as a part of inventory, and are required to be valued at fair value only. As such, Clonal Plants amounting to ₹ 28.60 lacs have been reclassified to other current assets and value thereof has been increased by ₹ 3.87 lacs on transition date. During the year ended 31 March 2016, value of clonal plants decreased by ₹ 3.87 lacs on account of fair valuation.

38.10 Finance Costs:

Under previous GAAP a substantial period of time to get ready an qualifying asset was

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specified. Under Ind AS no such period is stated and so interest on borrowings amounting to ₹ 26.52 lacs which was expensed earlier has now been capitalised during the year ended 31 March 2016.

38.11 Capitalisation of Pre-Operative Expenses:

Under previous GAAP, all pre-operative expenses including administrative and general overheads were capitalised to the cost of assets. Under Ind AS, these expenses are not required to be capitalised. Accordingly during the year ended 31 March 2016, administrative overheads of ₹ 30.86 lacs, finance costs of ₹ 0.39 lacs, and foreign exchange gain of ₹ 39.28 lacs have been readjusted resulting into net increase of ₹ 8.03 lacs to the cost of capital work in progress with corresponding charge to retained earnings.

38.12 Expected Credit Loss Model for Trade Receivables:

Ind AS 109 requires adjustment for expected credit loss while making provision for doubtful debts. No such adjustment was required under the previous GAAP. Accordingly, trade receivables and retained earnings decreased by ₹ 244.85 lacs on transition date and by an additional amount of ₹ 22.82 lacs during year ended 31 March 2016. Provision for expected credit losses stood at ₹ 267.67 lacs as on 31 March 2016.

38.13 Channel Finance Assurance Facility with recourse for Trade Receivables:

As per Ind AS, trade receivables is derecognised only when the company has transferred the rights to receive cash flows, or when it has transferred substantially all the risks and rewards of the asset, or when it has transferred the control of the asset. As such, receivables should not be de-recognised to the extent of recourse in case of Channel Finance Assurance Facility. Accordingly, trade receivables to the extent of recourse amounting to ₹ 3119.69 lacs was not de-recognised from trade receivables with corresponding recognition of short term borrowings as on 31 March 2016.

38.14 Expected Cash Discounts:

As per Ind AS, revenue shall be measured at the fair value of the consideration received or receivable. Fair Value is to be adjusted for trade discounts and volume rebates allowed by the entity. The discount and the expected cash flows should be estimated at the time of sale and the expected discount should be recognised as a reduction of revenue. As such, provision for Expected Cash Discounts of ₹ 285.22 lacs has been recognised on transition date with corresponding charge to retained earnings. During the year ended 31 March 2016, provision has been increased by ₹ 15.28 lacs by netting off with Gross revenue. As such closing provision for expected cash discounts as on 31 March 2016 stood at ₹ 300.50 lacs.

38.15 Mark to Market (MTM) Valuation of Derivative Contracts:

Ind AS 109 requires all derivatives to be measured at fair value and recognize any changes in fair value on the reporting date in profit and loss account unless they are designated in a qualifying hedge relationship. Under previous GAAP, derivatives were not measured at fair value. Mark to Market (MTM) gain/(loss) shall be recognised in Profit and Loss account with a corresponding derivative asset/ liability at each reporting date. The company has hedged its liability in foreign currency by entering into forward contracts and interest rate on its foreign currency long term borrowings by entering into Interest rate swap (IRS). Under Ind AS, MTM has been recognised on both of these derivative contracts. As such, MTM gain of ₹ 81.40 lacs has been recognised on transition date, with corresponding credit to retained earnings. During the year ended 31 March 2016, MTM loss of ₹ 83.83 lacs has been recognised in profit and loss account, with corresponding credit to derivative liability.

38.16 Actuarial gain/(loss) on Defined Benefit plans for Employee Benefits:

Under Ind AS, the change in defined benefit liability is split into changes arising out of service and interest cost and changes arising out of remeasurements. Changes due to service and interest cost are to be recognised in Profit and Loss account and the changes arising out of re-measurements are to be recognised directly in Other Comprehensive Income (OCI). As such, actuarial loss on valuation of Gratuity and Leave salary of ₹ 92.55 lacs as on transition date has been recognised in OCI with corresponding credit to retained earnings. Actuarial loss for the year ended 31 March 2016 is ₹ 230.89 lacs has been recognised in OCI instead of Employee benefit expenses.

38.17 Expenses pertaining to Scheme of Arrangement:

Under previous GAAP, expenses relating to the scheme of arrangement were been written off in five equal annual installments. Ind AS requires that costs incurred to effect a business combination are to be recognised as acquisition-related costs and be expensed in the period in which the costs are incurred. Accordingly, unamortised expenses towards scheme of arrangement as on the transition date of ₹ 80.74 lacs have been charged to retained earnings. Further out of such expenses incurred during year ended 31 March 2016, a sum of ₹ 55.47 lacs (net of amount already written off and reversal of adjustment as on transition date) has been charged to profit and loss account.

38.18 Sales Incentives to Dealers:

Under Ind AS, Incentives offered to Customers in any form shall be netted off from revenue and shall not be shown as Sales promotion expenses. However, incentives offered to persons other than customers shall continue to be shown as sales promotion expenses. As such, incentives offered to customers amounting to ₹ 427.36 lacs during the year ended 31 March 2016 has been netted off from revenue and reduced from sales promotion expenses. Under previous GAAP, all such incentives were shown as Sales promotion expenses.

38.19 Deferred Tax:

As per Ind AS, Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date. On transition date, certain adjustments were made by charge/ credit to profit and loss account. The tax effect of such adjustments resulting into deferred tax asset of ₹ 331.30 lacs has been recognised by credit to retained earnings. During the year ended 31 March 2016, deferred tax expense has been increased by ₹ 152.11 lacs - out of which a sum of ₹ 79.91 lacs has been credited to other comprehensive income and balance ₹ 72.20 lacs to profit and loss account.

Under Ind AS, unused MAT tax credits are considered as a part of deferred tax and need to be presented accordingly. As such, MAT credit entitlement of ₹ 4095.40 lacs on the transition date has been deducted from Deferred Tax liability. During the year ended 31 March 2016, MAT credit entitlement of ₹ 629.70 lacs was utilised by which amount the Deferred Tax liability has been readjusted.

38.20 Capitalisation of Foreign Exchange Differences:

Under previous GAAP, pursuant to Para 46A of AS 11, foreign exchange differences on foreign currency long term borrowings were capitalised along with the cost of Property, Plant and Equipment. Under Ind AS, capitalisation of foreign exchange differences is not permitted and same shall be charged to profit and loss account. However, Ind AS 101 permits grand fathering of capitalization of foreign exchange differences for long term borrowings taken till 31 March 2016. As such, the company has availed the option available under Ind AS 101.

38.21 Fair Valuation of Loans and Advances:

Under Ind AS, fair valuation is required for in case of loans and advances such as advance to employees, Capital advances and security deposits. In case of advance to employees, company has charged interest @ 10.30% p.a. and as such no fair valuation is required. In case of capital advances, fair valuation is not required as the advances are non-refundable and shall only be adjusted against supply of fixed assets. Security deposits are paid for rental property, electricity and maintenance. Deposits for electricity supply earn a reasonable interest of approximately 6% p.a. and as such no fair valuation is required. Deposits for offices and warehouses taken on rent are usually short term lease contracts expiring within a year, and as such no fair valuation is required. Hence, all such loans and advances are carried at transaction value.

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38.22 Reconciliation of Equity as on Transition Date 1st April 2015 as per IND AS

(₹ in Lacs)

	Previous GAAP	Adjustments	Ind AS
ASSETS			
Non-current Assets			
Property, Plant and Equipment	53005.67	(1526.13)	51479.54
Capital Work-in-Progress	1390.70	-	1390.70
Other Intangible Assets	298.22	-	298.22
Financial Assets			
Investments	1471.81	24.83	1496.64
Loans	780.91	(26.01)	754.90
Other Non-current Assets	716.91	1849.71	2566.62
	57664.22	**322.40**	**57986.62**
Current Assets			
Inventories	19030.39	(28.60)	19001.79
Financial Assets			
Investments	1815.73	-	1815.73
Trade Receivables	25721.80	(244.85)	25476.95
Cash and Cash Equivalents	718.83	(4.16)	714.67
Bank Balances other than above	-	4.16	4.16
Loans	180.08	-	180.08
Other Current Assets	9518.60	(4457.62)	5060.98
	56985.43	**(4731.07)**	**52254.36**
TOTAL :	**114649.65**	**(4408.67)**	**110240.98**
EQUITY AND LIABILITIES			
Equity:			
Equity Share Capital	1206.82	-	1206.82
Other Equity	47190.91	857.85	48048.76
	48397.73	**857.85**	**49255.58**
Liabilities:			
Non-current Liabilities			
Financial Liabilities			
Borrowings	12660.74	(81.52)	12579.22
Other Financial Liabilities	1026.52	-	1026.52
Provisions	1565.92	(241.00)	1324.92
Deferred Tax Liabilities (Net)	4030.33	(4426.70)	(396.37)
	19283.51	**(4749.22)**	**14534.29**
Current Liabilities			
Financial Liabilities			
Borrowings	13167.69	(280.56)	12887.13
Trade Payables	22492.28	247.04	22739.32
Other Financial Liabilities	7374.62	(90.62)	7284.00
Other Current Liabilities	2598.24	545.66	3143.90
Provisions	1169.11	(938.82)	230.29
Current Tax Liabilities (Net)	166.47	-	166.47
	46968.41	**(517.30)**	**46451.11**
TOTAL :	**114649.65**	**(4408.67)**	**110240.98**

38.23 Reconciliation of Equity as on 31st March 2016 as per IND AS

(₹in Lacs)

	Previous GAAP	Adjustments	Ind AS
ASSETS			
Non-current Assets			
Property, Plant and Equipment	54233.84	(1478.84)	52755.00
Capital Work-in-Progress	907.72	22.28	930.00
Other Intangible Assets	280.94	-	280.94
Financial Assets			
Investments	3766.00	0.21	3766.21
Loans	875.68	(26.01)	849.67
Other Non-current Assets	1391.02	1659.26	3050.28
	61455.20	**176.90**	**61632.10**
Current Assets			
Inventories	13860.85	(7.84)	13853.01
Financial Assets			
Investments	-	-	-
Trade Receivables	30439.58	2852.01	33291.59
Cash and Cash Equivalents	3164.18	(4.23)	3159.95
Bank Balances other than above	-	4.23	4.23
Loans	1206.46	-	1206.46
Other Current Assets	9365.59	(3736.20)	5629.39
	58036.66	**(892.03)**	**57144.63**
TOTAL :	**119491.86**	**(715.13)**	**118776.73**
EQUITY AND LIABILITIES			
Equity:			
Equity Share Capital	1206.82	-	1206.82
Other Equity	59378.53	764.39	60142.92
	60585.35	**764.39**	**61349.74**
Liabilities:			
Non-current Liabilities			
Financial Liabilities			
Borrowings	11572.99	(25.37)	11547.62
Other Financial Liabilities	1148.83	-	1148.83
Provisions	1763.61	-	1763.61
Deferred Tax Liabilities (Net)	3920.66	(3949.11)	(28.45)
	18406.09	**(3974.48)**	**14431.61**
Current Liabilities			
Financial Liabilities			
Borrowings	6711.87	2987.83	9699.70
Trade Payables	24908.32	(5.07)	24903.25
Other Financial Liabilities	4689.98	(56.15)	4633.83
Other Current Liabilities	2932.67	439.85	3372.52
Provisions	1201.75	(871.50)	330.25
Current Tax Liabilities (Net)	55.83	-	55.83
	40500.42	**2494.96**	**42995.38**
TOTAL :	**119491.86**	**(715.13)**	**118776.73**

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38.24 Reconciliation of Profit and Loss for the Year Ended 31st March 2016 as per IND AS

(₹ in Lacs)

	Previous GAAP	Adjustments	Ind AS
INCOME:			
Sale of Products	165609.40	5740.08	171349.48
Other Operating Revenue	76.04	-	76.04
Revenue from Operations	165685.44	5740.08	171425.52
Other Income	413.85	550.25	964.10
Total Revenue	**166099.29**	**6290.33**	**172389.62**
EXPENDITURE:			
Cost of Materials Consumed	70149.64	-	70149.64
Purchase of Stock in Trade	20381.91	-	20381.91
Changes in Inventories of Finished Goods, Stock in Process and Stock in Trade	1539.94	(20.76)	1519.18
Excise Duty Expense	-	6776.51	6776.51
Employees Benefits Expense	16774.14	(230.90)	16543.24
Finance Costs	2826.58	64.49	2891.07
Depreciation and Amortisation Expense	4935.62	(34.68)	4900.94
Other Expenses	32218.48	(249.66)	31968.82
Total Expenditure	**148826.31**	**6305.00**	**155131.31**
Profit before Tax	**17272.98**	**(14.67)**	**17258.31**
Current Tax	(3693.83)	-	(3693.83)
Mat Credit Entitlement	(629.70)	-	(629.70)
	(4323.53)	-	(4323.53)
Release of Deferred Tax	109.67	72.20	181.87
Tax Expense	**(4213.86)**	**72.20**	**(4141.66)**
Profit for the Year	**13059.12**	**57.53**	**13116.65**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss:			
Remeasurement gain/(loss) on defined benefit plans	-	(230.89)	(230.89)
Release of Deferred Tax	-	79.91	79.91
Other Comprehensive Income, net of tax	**-**	**(150.98)**	**(150.98)**
Total Comprehensive Income for the year, net of Tax	**13059.12**	**(93.45)**	**12965.67**

38.25 Reconciliation of Equity and Net Profit on Transition to IND AS

(₹ in Lacs)

Particulars	Equity on 01.04.2015	Equity on 31.03.2016	Profit for year 2015-16
Shareholders Funds and Net Profit after tax as per previous GAAP	**48397.73**	**60585.35**	**13059.12**
Recognition of Depreciation on Leasehold Land	(16.38)	-	16.38
Gain/(Loss) on Fair Valuation of Quoted Investments	24.83	0.22	(24.61)
Gain/(Loss) on Fair Valuation of Biological Assets	3.87	-	(3.87)
Recognition of MTM of Forward and IRS Contracts	81.40	(2.43)	(83.83)
Recognition of Provision for Expected Cash Discounts	(285.22)	(300.50)	(15.28)
Recognition of Provision for Expected Credit Losses	(244.85)	(267.67)	(22.82)
Derecognition of Unamortised Expenses	(80.74)	(136.21)	(55.47)
Recognition of Prepaid Processing Fees	172.14	81.52	(90.62)
Capitalisation of Finance Cost to PPE	-	26.52	26.52
Derecognition of Administrative Expenses from PPE	-	8.03	8.03
Derecognition of Proposed Dividend and Tax on Dividend	871.50	871.50	-
Reclassification of Actuarial loss on Defined Benefit plans	92.55	323.44	230.89
Deferred Tax impact of Ind AS adjustments	331.30	403.51	72.21
Net Impact of Ind AS adjustments in Reserves and Surplus	**950.40**	**1007.93**	**57.53**
Reclassification of Actuarial loss on Defined Benefit plans	(92.55)	(323.44)	(230.89)
Deferred Tax impact of Ind AS adjustments	-	79.90	79.90
Net Impact of Ind AS adjustments in OCI	**(92.55)**	**(243.54)**	**(150.98)**
Net Impact of Ind AS adjustments in Reserves and Surplus	**857.85**	**764.39**	**(93.45)**
Shareholders Funds and Net Profit after tax as per Ind AS	**49255.58**	**61349.74**	**12965.67**

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39. CONTINGENT LIABILITIES AND COMMITMENTS

39.1 Contingent liabilities

39.1.1 Pending Litigations:

a. Excise Duty, Sales Taxes and other Indirect Taxes claims disputed by the Company relating to issues of applicability and determination aggregating ₹ 2786.14 lacs (Previous year ₹ 7690.17 lacs), excluding interest which cannot be determined at this stage.

b. Claims against the Company not acknowledged as debts ₹ 85.64 lacs (Previous year ₹ 83.94 lacs)

Notes:

i) Based on the discussion with the solicitors/favourable decisions in similar cases/legal opinion taken by the Company, the management believes that the Company has a good chance of success in above mentioned cases and hence, no provision there against is considered necessary.

ii) The company does not expect any reimbursements in respect of the above contingent liabilities.

iii) Future cash outflows in respect of the above are determinable only on receipt of judgements/decisions pending with various forums/authorities.

39.1.2 Others:

a. Letter of credit established but material not received amounting to ₹ 463.41 lacs (Previous year ₹ 1117.21 lacs).

b. Guarantee given to a Bank in respect of loan to a joint venture company in which the Company's wholly owned subsidiary is a joint owner USD 30 lacs (Previous Year USD 15 lacs) equivalent to ₹ 1950.68 lacs (Previous Year ₹ 993.71 lacs), translated at year-end exchange rate.

c. Counter-Guarantees given to banks for Stand-by Letter of Credit (SBLC) facility USD 25 lacs equivalent to ₹ 1625.56 lacs (Previous Year USD 15 lacs equivalent to ₹ 993.71 lacs). Outstanding amount of Overdraft limit availed by its wholly owned subsidiary against SBLC facility is USD 14.28 lacs equivalent to ₹ 928.52 lacs (Previous year USD 7 lacs equivalent to ₹ 463.73 lacs) translated at year-end exchange rate.

d. (i) In respect of capital goods imported for the Pantnagar unit, at the concessional rate of duty under the Export Promotion Capital Goods Scheme, the Company has an export obligation of approximately ₹ 7703.32 lacs (previous year ₹ 9483.45 lacs), which is required to be met at different dates, before 10.04.2019 (previous year 10.04.2019). In the event of non-fulfillment of the export obligation, the Company will be liable to pay customs duties of approximately ₹ 962.91 lacs (Previous Year ₹ 1185.43 lacs) together with interest, as applicable. The Company has discharged export obligation amounting to ₹ 1780.13 lacs (Previous Year ₹ 97.35 lacs) during the year ended 31st March 2017.

d. (ii) In respect of capital goods imported for the Chittor unit, at the concessional rate of duty under the Export Promotion Capital Goods Scheme, the Company has an export obligation of approximately ₹ 21757.22 lacs (previous year ₹ Nil), which is required to be met at different dates, before 16.03.2023 (previous year Nil). In the event of non-fulfillment of the export obligation, the Company will be liable to pay customs duties of approximately ₹ 3626.21 lacs (Previous Year ₹ Nil) together with interest, as applicable.

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39.2 Commitments

a. Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) ₹ 23716.26 lacs (Previous year ₹ 31404.41 lacs).

b. Uncalled liability on shares and other investments which are partly paid ₹ Nil (Previous year ₹ Nil).

c. Other commitments ₹ Nil (Previous year ₹ Nil).

40. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATION

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 a forced or liquidated sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, working capital loans from banks approximate their carrying amounts largely due to the short term maturities of these instruments.

Financial instruments other than above are carried at amortised cost except certain assets which are carried at fair value.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techinque:

Level 1 : Quoted prices in active markets for identical assets or liabilities

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable.

Level 3 : Techinques using inputs having significant effect on the recorded fair value that are not based on observable market data.

₹ in Lacs

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Financial assets at amortised cost:			
Investments - Non-current	7236.55	3765.18	1462.85
Loans - Non-current	1287.11	849.67	754.90
Investments - Current	-	-	1815.73
Trade Receivables	30477.74	33291.59	25476.95
Cash and Cash Equivalents	7155.60	3159.95	714.67
Bank Balances other than above	4.22	4.23	4.16
Loans - Current	981.97	1206.46	180.08
Total	**47143.19**	**42277.08**	**30409.34**
Financial assets at fair value through profit and loss:			
Investments - Non-current - Level 1	0.91	1.03	33.79
Total Financial Assets	**47144.10**	**42278.11**	**30443.13**
Financial liabilities at amortised cost:			
Borrowings - Non-current	25742.55	11547.62	12579.22
Other Financial Liabilities - Non-current	1117.89	1148.83	1026.52
Borrowings - Current	6966.82	9699.70	12887.13
Other Financial Liabilities - Current	5125.19	4633.83	7284.00
Trade Payables	28064.00	24903.25	22739.32
Total	**67016.45**	**51933.23**	**56516.19**

41. FINANCIAL RISK MANAGEMENT

The Company's financial risk management is an integral part of planning and executing its business strategies. The Company's financial risk management policy is planned, approved and reviewed by the Board of Directors. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

41.1 Market Risk

Market Risk is the risk of loss of future earnings, fair values 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 exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables, and loans and borrowings.

The company manages market risk through the corporate finance department, which evaluates and exercises independent control over the entire process of market risk management. The corporate finance department recommends risk management objectives and policies, which are approved by Board of Directors. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

41.2 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. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, corporate finance department performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio. The Company has availed foreign currency borrowings with floating interest rates. With a view to minimise the fluctuation in floating interest rate, the Company has entered into Interest Rate swaps to convert the floating rate loans into fixed rate loans.

Interest Rate Swap:	
Notional amount USD 20 lacs ₹ 1300.45 lacs (Previous year Nil)	Hedge against exposure to variable interest outflow on loans. Swap to pay fixed interest @ 2.20 % p.a. (in USD) and receive a variable interest @ 3 month USD-LIBOR on outstanding notional amount.
Notional amount USD 13.80 lacs ₹ 897.31 lacs (Previous year USD 27 lacs ₹ 1788.68 lacs)	Hedge against exposure to variable interest outflow on loans. Swap to pay fixed interest @ 1.09 % p.a. (in USD) and receive a variable interest @ 3 month USD-LIBOR on outstanding notional amount.
Notional amount EURO 19.65 lacs ₹ 1361.89 lacs (Previous year EURO 39.3 lacs ₹ 2963.57 lacs)	Hedge against exposure to variable interest outflow on loans. Swap to pay fixed interest @ 1.06 % p.a. (in EURO) and receive a variable interest @ 6 month EURIBOR on outstanding notional amount.

41.3 Foreign Currency Risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies. The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies, including the use of derivatives like foreign currency forward contracts to hedge exposure to foreign currency risk.

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	Currency	As at 31st March, 2017		As at 31st March, 2016	
		Foreign Currency	₹ in Lacs	Foreign Currency	₹ in Lacs
Forward Contract outstanding:					
Purchase (Hedging of Buyers Credit)	EURO	169657	117.60	740863	565.05
	USD	3826816	2488.29	5651840	3737.88
Total			**2605.89**		**4302.93**
Purchase (Hedging of Trade Payables)	EURO	-	-	198430	149.65
	USD	-	-	150723	99.85
Total			**-**		**249.50**
Unhedged Foreign Currency Exposures:					
Foreign Currency Term Loans	EURO	27666559	19176.80	3929616	2963.57
	USD	3380000	2197.76	2700000	1788.68
Total			**21374.56**		**4752.25**
Trade Payables	EURO	349774	242.44	201555	152.01
	USD	113291	73.66	200692	132.95
	GBP	35785	28.92	12128	11.53
	AED	-	-	6165	1.11
	CHF	-	-	1426	0.98
	CNY	-	-	16355	1.29
	NZD	-	-	4638	2.12
	SGD	2197	1.02	29113	14.27
	JPY	2541000	14.93	-	-
Total			**360.97**		**316.26**
Advance to Vendors	EURO	11147540	7726.80	1713432	1292.21
	USD	1099351	714.83	301903	200.00
	CHF	1429	0.93	15000	1.18
	AED	-	-	21000	3.79
	GBP	4365	3.53	-	-
	CNY	230	0.02	-	-
Total			**8446.11**		**1497.18**
Loans and Advances Receivable	USD	1721023	1119.05	1501230	994.53
Total			**1119.05**		**994.53**
Trade Receivables	USD	579304	376.68	95858	63.50
Total			**376.68**		**63.50**

41.4 Credit Risk

Credit Risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probablity of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. Trade Receivables are impaired using the Life time Expected Credit Losses (ECL) Model. The company uses a provision matrix to determine the impairment loss allowance based on its historically observed default rates over expected life of trade receivables and is adjusted for forward looking estimates.

Financial Assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The company categorises a loan or receivable for write off when a debtor fails to make contractual payments in normal course of business. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in statement of profit and loss.

Notes on Financial Statements

for the year ended March 31, 2017

Financial assets where Life time Expected Credit Losses (ECL) is used:

	₹ in Lacs	
	As at 31st March, 2017	As at 31st March, 2016
Trade Receivables (Gross of Provisions)	31090.84	33674.03
Less : Provision for Doubtful Receivables	613.10	382.44
Trade Receivables (Net of Provisions)	**30477.74**	**33291.59**

41.5 Liquidity Risk

Liquidity Risk is the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's corporate finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are reviewed by the Board of Directors. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Financial Liabilities as reported in the Balance Sheet are segregated into current and non-current. Non-current financial liabilities have a maturity period of more than one year, whereas the current financial liabilities have maturities within one year.

41.6 Capital Management

For the purposes of Company's Capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. The company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

	₹ in Lacs	
	As at 31st March, 2017	As at 31st March, 2016
Total Debt	37751.74	25850.53
Total Equity	78702.05	61349.74
Capital and Net Debt	**116453.79**	**87200.27**
Gearing Ratio	**32.42%**	**29.65%**

42. FLUCTUATION IN LONG TERM FOREIGN CURRENCY MONETARY ITEMS

The Company has exercised the option available to it under Rule 46A of the Companies (Accounting Standards) (Second Amendment) Rules, 2011 in respect of accounting for fluctuations in foreign exchange relating to 'Long Term Foreign Currency Monetary Items' availed upto 31 March 2016. Accordingly, it has adjusted a gain of ₹172.08 lacs (Previous year loss of ₹542.92 lacs) during the year to the cost of its fixed assets on account of such difference arising during the current year and has provided for depreciation thereon over the balance useful life of the respective assets. Consequently, the charge to the Statement of Profit and Loss is effected to that extent.

43. TAXATION

The Company's management is of the opinion that its international and domestic transactions are at arm's length as per the independent accountants report for the year ended 31st March 2016. Management continues to believe that its international and domestic transactions post March 2016 and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expense and that of provision for taxation.

Notes on Financial Statements

for the year ended March 31, 2017

44. LEASES

The company has taken certain vehicles under non-cancelable operating lease arrangements. The future minimum lease payments in respect of such non-cancelable leases as at 31st March, 2017 are summarized below:

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016
Amount due within one year	159.29	166.36
Amount due between one year and five years	329.67	386.06
Amount due above five years	-	-
Total	**488.96**	**552.42**

45. VALUE OF IMPORTS ON C.I.F. BASIS

₹ in Lacs

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Raw Materials	14085.02	17840.03
Stock in Trade	123.49	1189.79
Stores and Spare Parts	1559.60	1014.44
Capital Goods	12046.90	672.27
Total	**27815.01**	**20716.53**

46. EXPENDITURE IN FOREIGN CURRENCY

₹ in Lacs

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Revenue Expenditure	2305.19	1829.59
Capital Expenditure	-	18.21
Total	**2305.19**	**1847.80**

47. EARNINGS IN FOREIGN CURRENCY

₹ in Lacs

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
FOB Value of Exports	1666.27	309.41

48. DISCLOSURE PURSUANT TO SECTION 186 (4) OF THE COMPANIES ACT 2013

(I) DETAILS OF LOANS:

Sl No.	Date of loan	Date of Board Resolution	Date of Special Resolution (if any)	Name of borrower	Purpose for which the loan is proposed to be utilized by the recipient	Amount (USD in Lacs)	Amount (₹ in Lacs) *	Rate of interest	Security	Prevailing yield of 1/3/5/10 year Government Security at the time of extending the loan
1	17-11-2016	24-10-2016	Not Applicable	Greenply Middle East Ltd.	For business requirements.	5.00	338.94	12 months USD LIBOR plus 500 bps p.a.	Nil	Yield of 5 year Bond is 6.861 %
2	30-12-2016	24-10-2016	Not Applicable	Greenply Middle East Ltd.	For business requirements.	2.00	135.94	12 months USD LIBOR plus 500 bps p.a.	Nil	Yield of 5 year Bond is 6.861 %

* Represents amount as on the date of transaction

(II) DETAILS OF INVESTMENTS:

Sl No.	Date of Investment	Date of Board Resolution	Date of Special Resolution (if any)	Name of investee	Purpose for which the proceeds from investment is proposed to be utilized by the recipient	Amount (USD in Lacs)	Amount (₹ in Lacs)	Expected rate of return
1	08-07-2016	23-07-2013 & 04-11-2014	Not Applicable	Greenply Trading Pte. Ltd.	For business requirements.	5.00	336.48	Not Applicable
2	01-08-2016	24-05-2016	Not Applicable	Greenply Middle East Ltd.	For business requirements.	2.72	181.74	Not Applicable
3	08-08-2016	24-05-2016	Not Applicable	Greenply Middle East Ltd.	For business requirements.	15.00	1000.99	Not Applicable
4	22-08-2016	24-05-2016	Not Applicable	Greenply Middle East Ltd.	For business requirements.	2.71	182.06	Not Applicable
5	31-08-2016	24-05-2016	Not Applicable	Greenply Holdings Pte. Ltd.	For business requirements.	0.25	16.74	Not Applicable
6	14-09-2016	24-05-2016	Not Applicable	Greenply Middle East Ltd.	For business requirements.	6.81	455.60	Not Applicable
7	29-09-2016	23-07-2013 & 04-11-2014	Not Applicable	Greenply Trading Pte. Ltd.	For business requirements.	5.00	334.19	Not Applicable
8	28-10-2016	23-07-2013 & 04-11-2014	Not Applicable	Greenply Trading Pte. Ltd.	For business requirements.	11.00	734.72	Not Applicable
9	20-03-2017	24-01-2017	Not Applicable	Greenply Trading Pte. Ltd.	For business requirements.	3.50	228.86	Not Applicable
Total						**52.00**	**3471.37**	

(III) DETAILS OF GUARANTEE PROVIDED

Sl No.	Date of providing security/ guarantee	Date of Board Resolution	Date of Special Resolution (if any)	Name of receipent	Purpose for which the security/guarante is proposed to be utilized by the recipient	Amount (USD in Lacs)	Amount (₹ in Lacs) #	Commission
1	25-01-2017	02-12-2016	Not Applicable	Greenply Middle East Ltd.	For working capital requirements	10.00	650.23	2% p.a.
2	16-09-2016	25-05-2015	Not Applicable	Greenply Alkemal (Singapore) Pte. Ltd.	For working capital requirements	15.00	975.34	2% p.a.

Represents amount as on the year end rate

49. INFORMATION REGARDING MICRO, SMALL AND MEDIUM ENTERPRISES

Based on the information /documents available with the Company, information as per the requirements of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 are as under:

₹ in Lacs

		As at 31st March, 2017	As at 31st March, 2016
i)	Principal amount remaining unpaid to any supplier at the end of accounting year (including retention money against performance).	3.78	12.72
ii)	Interest due on above	-	-
	Total of (i) and (ii)	**3.78**	**12.72**
iii)	Amount of interest paid by the Company to the suppliers in terms of section 16 of the Act.	-	-
iv)	Amount paid to the suppliers beyond due date during the year	-	-
v)	Amount of interest due and payable for the period of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	-	-
vi)	Amount of interest accrued and remaining unpaid at the end of accounting year	-	-
vii)	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 this Act.	-	-

Notes on Financial Statements

for the year ended March 31, 2017

50. INFORMATION REGARDING SPECIFIED BANK NOTES (SBN):

₹ in Lacs

	Specified Bank Notes	Other Bank Notes	Total
Closing cash in hand as on 8 November 2016	41.28	39.48	80.76
(+) Permitted receipts	-	143.62	143.62
(-) Permitted payments	-	134.46	134.46
(-) Amount deposited in banks	41.28	-	41.28
Closing cash in hand as on 30 December 2016	**-**	**48.64**	**48.64**

51. Company's Plywood unit located at Pantnagar (Uttarakhand) was exempt from levy of Central Excise Duty upto 1 May 2016. Company's MDF unit located at Pantnagar (Uttarakhand) is exempt from levy of Central Excise Duty. Company's Plywood unit located at Tizit (Nalagand) is entitled to partial refund of Central Excise Duty.

52. Balances under Trade receivables, Trade Payables, Loans and Advances payable or receivable are subject to confirmation to be received from some of the parties.

53. 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 annexed report of even date.

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

(Naveen Kumar Dhandaria)
Partner
Membership No. 061127

Place of Signature : Kolkata
Dated : May 29, 2017

Shiv Prakash Mittal
Executive Chairman
(DIN : 00237242)

Susil Kumar Pal
Director
(DIN : 00268527)

Rajesh Mittal
Managing Director
(DIN : 00240900)

V. Venkatramani
Chief Financial Officer

Kaushal Kumar Agarwal
Company Secretary & VP - Legal

Independent Auditor's Report

TO THE MEMBERS OF GREENPLY INDUSTRIES LIMITED

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated Ind AS financial statements of GREENPLY INDUSTRIES LIMITED (hereinafter referred to as "the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31 March 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated state of affairs (financial position), consolidated profit or loss (financial performance including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below,

Independent Auditor's Report

is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated state of affairs (financial position) of the Group as at 31 March 2017, and its consolidated profit (financial position including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

OTHER MATTERS

We did not audit the financial statements of the three foreign subsidiaries whose financial statements reflect total assets of ₹ 12897.61 lacs as at 31 March 2017, total revenues of ₹ 2457.80 lacs and net cash outflows amounting to ₹ 313.49 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

The comparative financial information of the Group for the year ended 31 March 2016 and the transition date opening balance sheet as at 1 April 2015 included in these consolidated Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us and our reports for the years ended 31 March 2016 and 31 March 2015 dated 24 May 2016 and 25 May 2015 respectively expressed an unmodified opinion on those consolidated financial statements, as adjusted for the differences in the accounting principles adopted by the Group on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of these matters.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

   (b) In our opinion, proper books of account as required by the law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

   (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2017 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

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

   i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group;

   ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

   iv. The Group has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016 and the same are in accordance with books of account maintained by the Group and as produced to us by the Management. (Refer Note 46).

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

(Naveen Kumar Dhandaria)
Partner
Membership No. 061127

Place of Signature : Kolkata
Dated : 29 May 2017

Consolidated Balance Sheet

as at March 31, 2017

₹ in Lacs

	Note	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
ASSETS				
Non-current assets				
Property, Plant and Equipment	1	52383.00	53928.91	51479.54
Capital Work-in-Progress	2	26869.37	930.00	1390.70
Other Intangible Assets	3	208.78	280.94	298.22
Financial Assets				
Investments	4	2611.61	2868.77	1722.71
Loans	5	1053.65	888.65	754.90
Other Non-current Assets	6	14199.53	3113.97	2566.62
Total Non-current assets		**97325.94**	**62011.24**	**58212.69**
Current assets				
Inventories	7	15846.27	13893.94	19001.79
Financial Assets				
Investments	8	-	-	1815.73
Trade Receivables	9	30200.93	33250.16	25476.95
Cash and Cash Equivalents	10	7805.24	3496.10	762.52
Bank Balances other than above	10	4.22	4.23	4.16
Loans	11	333.37	709.15	180.08
Other Current Assets	12	6303.85	6648.45	5060.98
Total Current assets		**60493.88**	**58002.03**	**52302.21**
Total Assets		**157819.82**	**120013.27**	**110514.90**
EQUITY AND LIABILITIES				
Equity:				
Equity Share Capital	13	1226.27	1206.82	1206.82
Other Equity	14	76039.88	60223.55	48320.43
Total Equity		**77266.15**	**61430.37**	**49527.25**
Liabilities:				
Non-current Liabilities				
Financial Liabilities				
Borrowings	15	26584.90	12125.29	12579.22
Trade Payables	16	1762.94	-	-
Other Financial Liabilities	17	1117.89	1148.83	1026.52
Provisions	18	2136.20	1763.61	1324.92
Deferred Tax Liabilities (Net)	19	1402.35	(28.45)	(396.37)
Total Non-current liabilities		**33004.28**	**15009.28**	**14534.29**
Current Liabilities				
Financial Liabilities				
Borrowings	20	7895.19	10163.43	12887.13
Trade Payables	21	29945.32	24906.39	22741.57
Other Financial Liabilities	22	5300.45	4742.22	7284.00
Other Current Liabilities	23	3930.36	3375.50	3143.90
Provisions	24	478.07	330.25	230.29
Current Tax Liabilities (Net)	25	-	55.83	166.47
Total Current liabilities		**47549.39**	**43573.62**	**46453.36**
Total Equity and Liabilities		**157819.82**	**120013.27**	**110514.90**
Significant Accounting Policies				
See Accompanying Notes to the Financial Statements	1 to 50			

As per our annexed report of even date.

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

(Naveen Kumar Dhandaria)
Partner
Membership No. 061127

Place of Signature : Kolkata
Dated : May 29, 2017

Shiv Prakash Mittal
Executive Chairman
(DIN : 00237242)

Susil Kumar Pal
Director
(DIN : 00268527)

Rajesh Mittal
Managing Director
(DIN : 00240900)

V. Venkatramani
Chief Financial Officer

Kaushal Kumar Agarwal
Company Secretary & VP - Legal

Consolidated Statement of Profit and Loss

for the year ended March 31, 2017

₹ in Lacs

	Note	For the year ended March 31, 2017	For the year ended March 31, 2016
INCOME:			
Sale of Products		177344.71	171311.01
Other Operating Revenue		223.74	76.74
Revenue from Operations	26	177568.45	171387.75
Share of Profit from Joint Venture		223.92	119.35
Other Income	27	998.46	996.76
Total Income		**178790.83**	**172503.86**
EXPENSES:			
Cost of Materials Consumed	28	68949.35	70149.64
Purchase of Stock in Trade	29	23181.60	20381.91
Changes in Inventories of Finished Goods, Stock in Trade and Stock in Process	30	(3789.13)	1478.25
Excise Duty Expense		11392.52	6776.51
Employees Benefits Expense	31	17720.85	16735.28
Finance Costs	32	1891.94	2938.78
Depreciation and Amortisation Expense	33	5066.28	4968.40
Other Expenses	34	36245.40	32106.72
Total Expenses		**160658.81**	**155535.49**
Profit before Tax		**18132.02**	**16968.37**
Current Tax		(4058.81)	(3693.83)
Earlier Years Tax		(123.66)	-
Mat Credit Entitlement		(1950.52)	(629.70)
		(6132.99)	(4323.53)
Release of Deferred Tax		545.34	181.87
Tax Expense	35	**(5587.65)**	**(4141.66)**
Profit for the Year		**12544.37**	**12826.71**
Other Comprehensive Income			
Items that may be reclassified to profit or loss:			
Exchange Differences on Consolidation		(553.69)	98.90
Items that will not be reclassified to profit or loss:			
Remeasurement gain/(loss) on defined benefit plans		(236.85)	(230.89)
Release of Deferred Tax		81.97	79.91
Other Comprehensive Income, net of tax		**(708.57)**	**(52.08)**
Total Comprehensive Income for the year, net of Tax		**11835.80**	**12774.63**
Earnings per Equity Share - Basic and Diluted	36	**10.29**	**10.63**
Significant Accounting Policies			
See Accompanying Notes to the Financial Statements	1 to 50		

As per our annexed report of even date.

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

(Naveen Kumar Dhandaria)
Partner
Membership No. 061127

Place of Signature : Kolkata
Dated : May 29, 2017

Shiv Prakash Mittal
Executive Chairman
(DIN : 00237242)

Susil Kumar Pal
Director
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Rajesh Mittal
Managing Director
(DIN : 00240900)

V. Venkatramani
Chief Financial Officer

Kaushal Kumar Agarwal
Company Secretary & VP - Legal

Consolidated Cash Flow Statement

for the year ended March 31, 2017

₹ in Lacs

	For the year ended March 31, 2017		For the year ended March 31, 2016	
A. CASH FLOW ARISING FROM OPERATING ACTIVITIES:				
Profit before Tax		18132.02		16968.37
Adjustments for:				
Depreciation and Amortisation Expense	5066.28		4968.40	
Finance Costs	1891.94		2938.78	
Re-measurement gain/(loss) on defined benefit plans	(236.85)		(230.89)	
Loss/(Gain) on Fair Valuation of Quoted Investments	0.12		(18.92)	
Provision for Doubtful Debts and Advances	230.68		57.96	
Loss on Sale and Discard of Fixed Assets	227.13		423.18	
Miscellaneous Expenditure written off	30.45		94.57	
Effect of Exchange Rate Changes	102.79		72.48	
Interest Income	(125.01)		(118.55)	
Unrealised Foreign Exchange Fluctuations	(101.62)		112.70	
Share of Profit from Joint Venture	(223.92)		(119.35)	
Exchange Gain on Sale of Current Investments	-		(142.72)	
Profit on Sale of Current Investments	(38.50)		-	
Profit on Sale of Long Term Investments	-		(13.02)	
		6823.49		8024.62
Operating Profit before Working Capital Changes		24955.51		24992.99
Adjustments for:				
(Increase) / Decrease in Trade and Other Receivables	(8474.89)		(10144.14)	
(Increase) / Decrease in Inventories	(1952.33)		5107.85	
(Decrease) / Increase in Trade Payables	7947.82		2944.68	
		(2479.40)		(2091.61)
Cash Generated from Operations		22476.11		22901.38
Income Tax Paid		(4179.79)		(3804.47)
Net Cash Generated from Operating Activities		**18296.32**		**19096.91**
B. CASH FLOW ARISING FROM INVESTING ACTIVITIES:				
Adjustments for:				
Acquisition of Fixed Assets		(30264.70)		(7646.26)
Interest Amount Capitalised		(489.25)		(26.51)
Acquisition of Investments		(2954.06)		(1044.52)
Loan to Joint Venture Company		-		(496.86)
Sale of Fixed Assets		780.98		736.67
Sale of Current Investments		3038.50		1958.45
Sale of Long Term Investments		-		64.70
Refund of Loan from Joint Venture Company		496.86		-
Interest Received		137.10		179.91
Net Cash used in Investing Activities		**(29254.57)**		**(6274.42)**
C. CASH FLOW ARISING FROM FINANCING ACTIVITIES:				
Adjustments for:				
Proceeds from Issue of Equity Capital		5000.00		-
Proceeds from Long Term Borrowings		21115.36		3000.00
Repayment of Short Term Borrowings		(2268.24)		(2723.70)
Deferred Payment Liabilities (Net)		(84.41)		251.82
Miscellaneous Expenditure		(30.45)		(94.57)
Repayment of Long Term Borrowings		(3775.53)		(6643.77)
Interest Paid		(1839.74)		(2957.95)
Expenses incurred on Issue of Share Capital		(128.51)		-
Processing Fees paid for Long Term Borrowings		(2152.99)		-
Dividend Paid		(724.09)		(724.09)
Corporate Dividend Tax Paid		(147.41)		(147.41)
Net Cash used in Financing Activities		**14963.99**		**(10039.67)**
Net Increase / (Decrease) in Cash and Cash Equivalents		**4005.74**		**2782.82**
Cash and Cash Equivalents at the beginning of the Year		**3126.91**		**344.09**
Cash and Cash Equivalents at the close of the Year		**7132.65**		**3126.91**

As per our annexed report of even date.

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

(Naveen Kumar Dhandaria)
Partner
Membership No. 061127

Place of Signature : Kolkata
Dated : May 29, 2017

Shiv Prakash Mittal
Executive Chairman
(DIN : 00237242)

Susil Kumar Pal
Director
(DIN : 00268527)

Rajesh Mittal
Managing Director
(DIN : 00240900)

V. Venkatramani
Chief Financial Officer

Kaushal Kumar Agarwal
Company Secretary & VP - Legal

Consolidated Statement of Changes in Equity

for the year ended March 31, 2017

₹ in Lacs

A) EQUITY SHARE CAPITAL

For the year ended 31st March, 2017	
Balance as at 1st April 2016	1206.82
Changes in equity share capital during the year	
Allotment to Qualified Institutional Investors	19.46
Balance as at 31st March 2017	**1226.27**
For the year ended 31st March, 2016	
Balance as at 1st April 2015	1206.82
Changes in equity share capital during the year	-
Balance as at 31st March 2016	**1206.82**

B) OTHER EQUITY

For the year ended 31st March, 2017

₹ in Lacs

Particulars	Reserves and Surplus			Total
	Securities Premium	General Reserve	Retained Earnings	
Balance as at 1st April 2016	-	16962.24	43261.31	60223.55
Profit for the year	-	-	12544.37	12544.37
Dividend on Equity Shares	-	-	(724.09)	(724.09)
Tax on Distribution of Dividend	-	-	(147.41)	(147.41)
Transferred from Statement of Profit and Loss	-	6500.00	-	6500.00
Transferred to General Reserve	-	-	(6500.00)	(6500.00)
Received against share issue to Qualified Institutional Investors	4980.54	-	-	4980.54
Expenses pertaining to share issue to Qualified Institutional Investors	(128.51)	-	-	(128.51)
Other Comprehensive Income/(loss) for the year:				
- Exchange Differences on Consolidation	-	-	(553.69)	(553.69)
- Remeasurements of the net defined benefit plans	-	-	(154.88)	(154.88)
Balance as at 31st March 2017	**4852.03**	**23462.24**	**47725.61**	**76039.88**

For the year ended 31st March, 2016

₹ in Lacs

Particulars	Reserves and Surplus			Total
	Securities Premium	General Reserve	Retained Earnings	
Balance as at 1st April 2015	-	10462.24	37858.19	48320.43
Profit for the year	-	-	12826.71	12826.71
Dividend on Equity Shares	-	-	(724.09)	(724.09)
Tax on Distribution of Dividend	-	-	(147.41)	(147.41)
Transferred from Statement of Profit and Loss	-	6500.00	-	6500.00
Transferred to General Reserve	-	-	(6500.00)	(6500.00)
Other Comprehensive Income/(loss) for the year:				
- Exchange Differences on Consolidation	-	-	98.90	98.90
- Remeasurements of the net defined benefit plans	-	-	(150.99)	(150.99)
Balance as at 31st March 2016	**-**	**16962.24**	**43261.31**	**60223.55**

As per our annexed report of even date.

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

(Naveen Kumar Dhandaria)
Partner
Membership No. 061127

Place of Signature : Kolkata
Dated : May 29, 2017

Shiv Prakash Mittal
Executive Chairman
(DIN : 00237242)

Susil Kumar Pal
Director
(DIN : 00268527)

Rajesh Mittal
Managing Director
(DIN : 00240900)

V. Venkatramani
Chief Financial Officer

Kaushal Kumar Agarwal
Company Secretary & VP - Legal

Significant Accounting Policies

for the year ended March 31, 2017 forming part of Consolidated Financial Statements

1.01 DISCLOSURE OF ACCOUNTING POLICIES:

1.01.01 CORPORATE INFORMATION:

Greenply Industries Limited (the 'Company') is a public limited company domiciled in India incorporated under the provisions of the Companies Act. Its shares are listed on two recognised stock exchanges in India. The registered office of the company is located at Makum Road, P.O. Tinsukia, Assam - 786 125, India.

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

Company has three overseas wholly owned subsidiary companies viz. (a) Greenply Trading Pte. Ltd., subsidiary of the Company based out of Singapore, operates as an investment vehicle and has invested into a Joint Venture Company viz. Greenply Alkemal (Singapore) Pte. Ltd., which is also based out of Singapore. Greenply Trading Pte. Ltd. is also engaged into trading of Medium Density Fibreboards and allied products; (b) Greenply Holdings Pte. Ltd., subsidiary of the Company based out of Singapore has been incorporated during the year. (c) Greenply Middle East Ltd., subsidiary of the Company based out of Dubai has been incorporated during the year as an investment vehicle and has invested into a wholly owned subsidiary company viz. Greenply Gabon SA, Gabon, West Africa.

1.01.02 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The Financial Statements upto year ended 31 March 2016 were prepared in accordance with accounting standards notified under the Company (Accounting Standards) Rules 2006 read with Rule 7(1) of the Companies (Accounts) Rules, 2014 and the provisions of the Companies Act, 2013 (hereinafter referred to as the 'previous GAAP').

These Financial Statements are the first financial statements of the company under Ind AS - the transition date being 1 April 2015. The information as to how the company has adopted Ind AS and the impact thereof on Company's financial position, financial performance and cash flows is presented in notes to financial statements.

The financial statements have been prepared under the historical cost basis, except for the following assets and liabilities which has been measured at fair value, (i) Quoted Investments in Equity Shares, (ii) Derivative financial instruments, (iii) Biological Assets - Clonal Plantation.

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

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest lacs, except otherwise indicated. Where changes are made in presentation, the comparative figures of the previous year are regrouped and re-arranged accordingly.

1.01.03 BASIS OF CONSOLIDATION:

The consolidated financial statements comprise the financial statements of the Group as at 31 March 2017. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has ability to affect those returns through its power over the investee.

The consolidated financial statements of the parent and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, income and expenses. Intragroup balances and intragroup transactions and resulting unrealized profits (losses) are eliminated in full. Consolidated financial statements are prepared using uniform accounting policies for the like transactions and other events in similar circumstances.

1.01.04 COMPANIES INCLUDED IN CONSOLIDATION:

The Group's Consolidated Financial Statements includes financial statements of three overseas wholly owned subsidiary companies viz. (a) Greenply Trading Pte. Ltd., (b) Greenply Holdings Pte. Ltd. and (c) Greenply Middle East Ltd.

1.01.05 ACCOUNTING ESTIMATES AND ASSUMPTIONS:

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

1.02 PROPERTY, PLANT AND EQUIPMENT:

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

1.02.02 Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

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

1.02.04 On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

1.02.05 The Company has exercised the option available to it under Rule 46A of the Companies (Accounting Standards) (Second Amendment) Rules, 2011 in respect of accounting for fluctuations in foreign exchange relating to "Long Term Foreign Currency Monetary Items". On transition to Ind AS, aforesaid option is not available for loans availed after 1st April 2016.

1.02.06 Property, Plant and Equipments including continuous process plants are depreciated and/or amortised on the basis of their useful lives as notified

Significant Accounting Policies

for the year ended March 31, 2017 forming part of Consolidated Financial Statements

in Schedule II to the Companies Act, 2013 except in case of assets costing less than ₹ 5000 which are depreciated over their useful life as assessed by the management. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Depreciation in respect of additions to assets has been charged on pro rata basis with reference to the period when the assets are ready for use. The provision for depreciation for multiple shifts has been made in respect of eligible assets on the basis of operation of respective units. Where the historical cost of a depreciable asset undergoes a change due to increase or decrease in long term liability on account of exchange fluctuations, the depreciation on the revised unamortised depreciable amount is provided prospectively over the residual useful life of the asset.

1.02.07 An asset's carrying amount is written down immediately on discontinuation to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Profit/ Loss on Sale and Discard of Fixed Assets.

1.02.08 Useful lives of the Property, Plant and Equipment are as follows :

Related to the Parent Company:

Buildings - 3 to 60 years

Plant and Equipments - 15 to 25 years

Furniture and Fixtures - 10 years

Vehicles - 8 to 10 years

Office Equipments - 5 to 10 years

Related to the Greenply Trading Pte. Ltd.:

Furniture and Fixtures - 5 years

Vehicles - 10 years

Yacht - 16 years

Office Equipments - 5 years

Related to the Greenply Middle East Ltd.:

Plant and Equipments - 7 years

Furniture and Fixtures - 4 to 6 years

Vehicles - 3 years

Office Equipments - 3 years

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

1.03 INTANGIBLE ASSETS:

1.03.01 Internally generated intangible asset under development stage is recognized when it is demonstrated that it is technically feasible to use the same and the cost incurred for developing the same is ascertained. Technical Know-how so developed internally is amortised on a straight- line basis over its estimated useful life.

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

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

1.03.04 On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.

Significant Accounting Policies

for the year ended March 31, 2017 forming part of Consolidated Financial Statements

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

Goodwill - 5 years

Trademarks - 10 years

Computer Software - 5 years

Technical Know-how - 3 years

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

1.04 INVENTORIES:

1.04.01 The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. The costs of Raw Materials, Stores and spare parts etc., consumed consist of purchase price including duties and taxes (other than those subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to the procurement.

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

1.04.03 Stock of Raw Materials, Stores and spare parts are valued at lower of cost or net realisable value; and of those in transit and at port related to these items are valued at lower of cost to date or net realisable value. Slow and non-moving material, obsolete, defective inventories are duly provided for and valued at net realisable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet. Material and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

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

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

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

1.04.07 Waste and scraps are accounted at estimated realisable value.

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

1.05 CASH FLOW STATEMENT:

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

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

1.06 FINANCIAL ASSETS:

1.06.01 The Company classifies its financial assets as those to be measured subsequently at fair value (either

Significant Accounting Policies

for the year ended March 31, 2017 forming part of Consolidated Financial Statements

through other comprehensive income, or through profit or loss), and those to be measured at amortised cost.

1.06.02 The Company measures all equity instruments in subsidaries at cost initially and also on subsequent recognition.

1.06.03 The Company measures all quoted equity instruments other than in subsidaries at fair value on initial and subsequent recognition. Changes in fair value of quoted investments in equity shares are shown as profit/loss on fair valuation of investments in Statement of Profit and Loss.

1.06.04 Trade receivables represent receivables for goods sold by the Company upto to the end of the financial year. The amounts are generally unsecured and are usually received as per the terms of payment agreed with the customers. The amounts are presented as current assets where receivable is due within 12 months from the reporting date. They are recognised initially and subsequently measured at amortised cost.

1.06.05 The Company assesses the expected credit losses associated with its assets carried at amortised cost. Trade receivables are impaired using the lifetime expected credit loss model under simplified approach. The Company uses a provision matrix to determine the impairment loss allowance based on its historically observed default rates over expected life of trade receivables and is adjusted for forward looking estimates. At every reporting date, the provision for such impairment loss allowance is determined and updated and the same is deducted from Trade Receivables with corresponding charge/credit to Profit and Loss.

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

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

1.07 FINANCIAL LIABILITIES:

1.07.01 Borrowings are initially recognised and subsequently measured at amortised cost, net of transaction costs incurred. The transaction costs is amortised over the period of borrowings using the effective interest method in Capital Work in Progress upto the commencement of related Plant, Property and Equipment and subsequently under finance costs in profit and loss account.

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

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

1.07.04 Trade Payables represent liabilities for goods and services provided to the Company upto to the end of the financial year. The amounts are unsecured and are usually paid as per the terms of payment agreed with the vendors. The amounts are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially and subsequently measured at amortised cost.

Significant Accounting Policies

for the year ended March 31, 2017 forming part of Consolidated Financial Statements

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

1.07.06 Derivative financial instruments are in the nature of Forward contracts and Interest rate swaps. Forward contracts are executed to hedge the foreign exchange rate with respect to liabilities for goods and services in foreign currencies. Interest rate swaps are executed to hedge the interest rate with respect to borrowings in foreign currencies.

1.07.07 Derivative financial instruments are recognised initially and subsequently at fair value through mark to market valuation obtained from banking partners. Gain or loss arising from the changes in fair value of derivatives are debited to the foreign exchange fluctuations in the statement of profit and loss.

1.08 EQUITY:

1.08.01 Equity Shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

1.08.02 Provision is made for the amount of any dividend declared and dividend distribution tax thereon, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

1.08.03 The share issue expenses and expenses related to Scheme of Arrangement are written off in five equal annual installments in accordance with the provisions of Section 35DD of the Income Tax Act, 1961. In case, where the specific amortisation is not stipulated in the scheme or agreement, such expenses are charged in the year in which it is incurred.

1.09 REVENUE RECOGNITION:

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

1.09.02 Sale of Goods: Revenue from sales of goods is recognised on transfer of significant risks and rewards of ownership to the customers. Revenue shown in the Statement of Profit and Loss are inclusive of Excise Duty and the value of self-consumption, but excludes inter-transfers, returns, trade discounts, cash discounts, other benefits passed to customers in kind, value added tax and central sales tax. Excise Duty expense has been disclosed in Statement of Profit and Loss as expenditure.

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

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

1.09.05 Dividends: Dividend from investment is recognized when the Company in which they are held declares the dividend and when the right to receive the same is established.

1.09.06 Insurance Claims: Insurance Claims are accounted for on acceptance and

Significant Accounting Policies

for the year ended March 31, 2017 forming part of Consolidated Financial Statements

when there is a reasonable certainty of receiving the same, on grounds of prudence.

1.10 FOREIGN CURRENCY TRANSACTIONS AND FOREIGN OPERATIONS:

1.10.01 The Group's consolidated financial statements are presented in Indian Rupees ('INR'), which is also the parent Company's functional currency. For each company, the Group determines the functional currency and items included in the financial statements of each company are measured using that functional currency.

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

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

1.10.04 On consolidation, the assets and liabilities of the foreign subsidiary are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at average rate during the year. The exchange differences arising on translation for consolidation are recognised in Other Comprehensive Income. On disposal of a foreign subsidiary, the foreign exchange differences recognised in Other Comprehensive Income is reclassified to the Statement of Profit and Loss.

1.11 EMPLOYEE BENEFITS:

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

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

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

1.11.04 The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss.

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

1.11.06 Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organisation established under

Significant Accounting Policies

for the year ended March 31, 2017 forming part of Consolidated Financial Statements

The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid.

1.12 BORROWING COSTS:

1.12.01 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. Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of borrowings.

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

1.12.03 Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowings costs eligible for capitalisation.

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

1.13 SEGMENT REPORTING:

1.13.01 Operating Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM assesses the financial performance and position of the company, and makes strategic decisions. The CODM consists of the Executive Chairman, Managing Director, Joint Managing Director & CEO and Chief Financial Officer.

1.13.02 The Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products and serves different markets. The identified segments are Manufacturing and Sale of (a) Plywood and Allied products; and (b) Medium Density Fibre Boards and Allied products.

1.13.03 The analysis of geographical segment is based on the geographical location of the customers. The geographical segments considered for disclosure are (a) Sales within India include sales to customers located within India; (b) Sales outside India include sales to customers located outside India.

1.13.04 Common allocable costs are allocated to each segment according to the ratio of their respective turnover to the total turnover.

1.13.05 The Unallocated Segment includes general corporate income and expense items, which are not allocated to any business segment.

1.14 RELATED PARTY TRANSACTIONS:

1.14.01 A related party is a person or entity that is related to the reporting entity preparing its financial statements

(a) A person or a close member of that person's family is related to a reporting entity if that person; (i) has control or joint control of the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies; (i) the entity and the reporting entity

Significant Accounting Policies

for the year ended March 31, 2017 forming part of Consolidated Financial Statements

are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others); (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member); (iii) Both entities are joint ventures of the same third party; (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity; (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity; (vi) The entity is controlled or jointly controlled by a person identified in (a); (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

1.14.02 A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

Compensation includes all employee benefits i.e. all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered to the entity. It also includes such consideration paid on behalf of a parent of the entity in respect of the entity.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

1.14.03 Disclosure of related party transactions as required by the accounting standard is furnished in the Notes on Financial Statements.

1.15 LEASES:

1.15.01 The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

1.15.02 Finance leases that transfer substantially all of the risks and benefits incidental to ownership of the leased term, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and a reduction in lease liability so as to acheive a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

1.15.03 A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

1.15.04 Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Lease rentals are charged to the statement of profit and loss on straight line basis.

1.15.05 Other Current assets includes prepaid lease rentals on account of initial payment with respect to leasehold land for manufacturing units. The same being operating lease in nature, is amortised as an expense over the period of lease.

1.16 EARNINGS PER SHARE:

1.16.01 Basic earnings (loss) per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

1.16.02 For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.17 ACCOUNTING FOR TAXES ON INCOME:

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

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

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it is become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

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

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

1.17.04 MAT (Minimum Alternate Tax) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained

Significant Accounting Policies

for the year ended March 31, 2017 forming part of Consolidated Financial Statements

in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

1.18 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

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

1.18.02 Contingent liabilities are not provided for but are disclosed by way of Notes on Accounts. Contingent liabilities is disclosed in case of a present obligation from past events (a) when it is not probable that an outflow of resources will be required to settle the obligation; (b) when no reliable estimate is possible; (c) unless the probability of outflow of resources is remote.

1.18.03 Contingent assets are not accounted but disclosed by way of Notes on Accounts where the inflow of economic benefits is probable.

1.19 CURRENT AND NON-CURRENT CLASSIFICATION:

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

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

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

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

1.20 FAIR VALUE MEASUREMENT:

1.20.01 The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

1.20.02 Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

1.20.03 The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

1.20.04 A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

1.20.05 The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

1.20.06 The assets and liabilities which has been measured at fair value are, (i) Quoted Investments in Equity Shares, (ii) Derivative financial instruments, (iii) Biological Assets - Clonal Plantation.

1.21 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS:

1.21.01 Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

1.21.02 Non-current assets and disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less cost to sell. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

1.21.03 Non-current assets classified as held for sale are presented separately from other assets in the balance sheet. An entity shall not depreciate or amortise a non-current asset after such asset has been classified as held for sale.

1.21.04 Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

1.21.05 A disposal group qualifies as discontinued operation if it is a component of the Company that either has been disposed of, or is classified as held for sale, and; (a) represents a separate major line of business or geographical area of operations; (b) is part of a single co-ordinated plan to dispose of a seperate major line of business or geographical area of operations; (c) is a subsidiary acquired exclusively with a view to resale.

1.22 BIOLOGICAL ASSETS:

1.22.01 Biological Assets are Clonal Plants being initially and subsequently measured at fair value.

1.23 EXPENSES FOR CORPORATE SOCIAL RESPONSIBILITY:

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

1.23.02 In case, the expenditure incurred by the Company is of such a nature which gives rise to an asset, such an asset is recognised where the Company retains the control of the asset and any future economic benefit accrues to it. A liability incurred by entering into a contractual obligation is recognised to the extent to which CSR activity is completed during the year.

Notes on Consolidated Financial Statements for the year ended March 31, 2017

1. PROPERTY, PLANT AND EQUIPMENT

Particulars	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As At 01.04.2015	Addition During The Year	Currency Translation Adjustment	Deduction During The Year	As At 31.03.2016	Upto 31.03.2016	For The Year	Currency Translation Adjustment	Adjustment For Deductions	Total As At 31.03.2017	As At 31.03.2017	As At 31.03.2016	As At 31.03.2015
Freehold Land	2251.32	2437.85	-	-	4689.17	-	-	-	-	-	4691.58	4689.17	2251.32
Land Development	192.48	0.32	-	-	192.80	-	-	-	-	-	192.80	192.80	192.48
Buildings	12026.74	565.32	-	0.32	12591.74	2500.57	465.16	-	2.41	2963.32	10601.76	10091.17	9963.57
Plant and Equipments	48313.50	3398.63	-	1042.36	50669.77	17606.28	3460.18	(0.12)	77.31	20989.03	30126.79	33063.49	33553.95
Furniture and Fixtures	2127.54	225.85	1.38	1.47	2353.30	666.30	256.36	(1.18)	194.73	726.75	1592.17	1687.00	1715.59
Vehicles	3468.34	1759.17	10.69	1050.55	4187.65	940.53	534.28	(5.64)	444.04	1025.13	3682.08	3247.12	2701.03
Heavy Vehicles	156.68	-	-	-	156.68	115.63	10.71	-	-	126.34	30.34	41.05	52.71
Yatch	-	-	-	-	-	-	17.25	(0.51)	-	16.74	625.96	-	-
Office Equipments	1428.73	86.38	0.07	4.14	1511.04	593.93	214.69	(0.09)	57.82	750.71	839.52	917.11	1048.89
Total	**69965.33**	**8473.52**	**12.14**	**2098.84**	**76352.15**	**22423.24**	**4958.63**	**(7.54)**	**776.31**	**26598.02**	**53383.00**	**53928.91**	**51479.54**

2. CAPITAL WORK-IN-PROGRESS

Particulars	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As At 01.04.2015	Addition During The Year	Currency Translation Adjustment	Deduction During The Year	As At 31.03.2016	Upto 31.03.2016	For The Year	Currency Translation Adjustment	Adjustment For Deductions	Total As At 31.03.2017	As At 31.03.2017	As At 31.03.2016	As At 31.03.2015
Capital Work In Progress	1390.70	717.03	-	1177.73	930.00	-	-	-	-	-	26869.37	930.00	1390.70

3. OTHER INTANGIBLE ASSETS

Particulars	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As At 01.04.2015	Addition During The Year	Currency Translation Adjustment	Deduction During The Year	As At 31.03.2016	Upto 31.03.2016	For The Year	Currency Translation Adjustment	Adjustment For Deductions	Total As At 31.03.2017	As At 31.03.2017	As At 31.03.2016	As At 31.03.2015
Goodwill	340.00	-	-	-	340.00	340.00	-	-	340.00	-	-	-	-
Trademarks	-	22.87	-	-	22.87	2.31	4.58	-	-	6.89	15.98	20.56	-
Computer Software	606.65	52.46	-	-	659.11	417.01	88.00	(0.02)	0.11	504.88	189.59	242.10	264.87
Technical Knowhow	45.20	-	-	-	45.20	26.92	15.07	-	-	41.99	3.21	18.28	33.35
Total	**991.85**	**75.33**	**-**	**-**	**1067.18**	**786.24**	**107.65**	**(0.02)**	**340.11**	**553.76**	**208.78**	**280.94**	**298.22**

Notes on Consolidated Financial Statements for the year ended March 31, 2017

4. NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number	₹ in Lacs	Number	₹ in Lacs	Number	₹ in Lacs
Investments in Joint Venture						
Trade						
Unquoted , Fully Paid up						
Greenply Alkemal (Singapore) Pte. Ltd.						
Equity (at Cost)	3750000	2438.34	3750000	2484.28	2303710	1439.76
Share of Profit	-	172.36	-	383.46	-	249.16
	3750000	2610.70	3750000	2867.74	2303710	1688.92
Investments in Equity Instruments						
Others - Quoted - Fully Paid up						
Himalaya Granites Ltd - Equity Shares of ₹ 10 each	-	-	-	-	380583	32.35
Indian Overseas Bank Ltd - Equity Shares of ₹ 10 each	3400	0.91	3400	1.03	3400	1.44
Total		**2611.61**		**2868.77**		**1722.71**
Aggregate amount of Quoted Investments		0.91		1.03		33.79
Aggregate amount of Unquoted Investments		2610.70		2867.74		1688.92
Total		**2611.61**		**2868.77**		**1722.71**
Aggregate Market Value of Quoted Investments		0.91		1.03		33.79

4.1 Name of the Entities included in Consolidation

	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss	
	As % of consolidated Net Assets	₹ in Lacs	As % of consolidated Profit or Loss	₹ in Lacs
Parent - Greenply Industries Limited	101.86%	78702.05	107.68%	13507.21
Subsidiary (Foreign)				
Greenply Trading Pte. Ltd.	-1.58%	(1220.46)	-6.31%	(791.49)
Greenply Holdings Pte. Ltd.	-0.01%	(5.34)	-0.04%	(5.00)
Greenply Middle East Ltd.	-0.27%	(210.10)	-1.33%	(166.35)
Total	**100.00%**	**77266.15**	**100.00%**	**12544.37**

	Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated Other Comprehensive Income	₹ in Lacs	As % of consolidated Total Comprehensive Income	₹ in Lacs
Parent - Greenply Industries Limited	21.86%	(154.88)	112.81%	13352.33
Subsidiary (Foreign)				
Greenply Trading Pte. Ltd.	71.92%	(509.60)	-10.99%	(1301.09)
Greenply Holdings Pte. Ltd.	0.05%	(0.34)	-0.05%	(5.34)
Greenply Middle East Ltd.	6.17%	(43.75)	-1.78%	(210.10)
Total	**100.00%**	**(708.57)**	**100.00%**	**11835.80**

5. LOANS NON-CURRENT FINANCIAL ASSETS

			₹ in Lacs
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(Unsecured, considered good)			
Security Deposits	1053.65	888.65	754.90
Total	**1053.65**	**888.65**	**754.90**

Notes on Consolidated Financial Statements for the year ended March 31, 2017

6. OTHER NON-CURRENT ASSETS

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Capital Advances	12579.24	1357.60	656.36
Unmatured Finance Charges	110.53	257.87	393.13
Prepaid Lease Rentals	1483.75	1472.49	1491.12
Security Deposits	26.01	26.01	26.01
Total	**14199.53**	**3113.97**	**2566.62**

7. INVENTORIES

(at lower of cost or net realisable value)

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Raw Materials [including in Transit ₹ 81.08 lacs (Previous year ₹ 86.36 lacs)]	5944.39	8292.20	12199.50
Stock in Process	1605.75	1151.24	1201.15
Finished Goods [including in Transit ₹ 393.60 lacs (Previous year ₹ 200.18 lacs)]	3793.18	1620.11	3356.93
Stock In Trade [including in Transit ₹ 16.78 lacs (Previous year ₹ 23.47 lacs)]	2461.59	1300.04	991.56
Stores and Spares	2041.36	1530.35	1252.65
Total	**15846.27**	**13893.94**	**19001.79**

7.1 Details of Closing Stock of Raw Materials

Paper	521.71	499.80	464.61
Timber	2750.38	4736.87	7553.35
Veneer	1738.40	1937.51	2265.76
Chemicals	439.10	454.43	374.53
Plywood, Particle Board and MDF	398.06	558.76	1394.15
Laminates, Doorskin and Cubicals	96.74	104.83	147.10
Total	**5944.39**	**8292.20**	**12199.50**

7.2 Details of Closing Stock of Stock in Process

Plywood and Blockboard	910.90	482.86	634.88
Medium Density Fibre Board	293.40	270.62	188.46
Veneer	323.67	321.41	310.93
Chemicals	57.90	53.65	50.25
Paper	19.88	22.70	16.63
Total	**1605.75**	**1151.24**	**1201.15**

7.3 Details of Closing Stock of Finished Goods

Plywood, Blockboard and Flush Doors	2368.13	888.50	2249.99
Medium Density Fibre Board	1173.56	538.27	726.97
Veneer	58.00	93.41	299.66
Wooden Flooring	193.49	99.93	80.31
Total	**3793.18**	**1620.11**	**3356.93**

7.4 Details of Closing Stock of Stock in Trade

Plywood, Blockboard and Flush Doors	1408.41	1109.81	991.56
Wallcovers	1053.18	190.23	-
Total	**2461.59**	**1300.04**	**991.56**

8. CURRENT FINANCIAL ASSETS - INVESTMENTS

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number	₹ in Lacs	Number	₹ in Lacs	Number	₹ in Lacs
Investments in Equity Instruments (at Cost)						
Subsidiaries - Held for Sale						
Unquoted - Fully Paid up						
Greenply Industries (Myanmar) Pvt Ltd						
- Equity Shares of KYAT 100000 each	-	-	-	-	28786	1815.73

9. TRADE RECEIVABLES

₹ in Lacs

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Outstanding for a period exceeding six months from date due for payment						
Unsecured, considered good	1042.77		489.27		430.93	
Unsecured, considered doubtful	110.77		114.76		150.13	
	1153.54		604.03		581.06	
Less:Provision for Doubtful Receivables*	463.73		261.46		315.44	
		689.81		342.57		265.62
Other Debts						
Secured, considered good	-		-		115.69	
Unsecured, considered good	29660.49		33028.57		25175.18	
	29660.49		33028.57		25290.87	
Less:Provision for Doubtful Receivables*	149.37		120.98		79.54	
		29511.12		32907.59		25211.33
Total		**30200.93**		**33250.16**		**25476.95**
Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a member		-		-		-

* as per estimate of the management

10. CASH AND CASH EQUIVALENTS

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Cash and Bank Balances			
Balances with Banks - on Current Accounts	7073.57	3062.82	276.19
Cash on Hand	59.08	64.09	67.90
	7132.65	3126.91	344.09
Term Deposits with Banks			
Maturity within 3 months	606.00	52.97	52.36
Maturity within 12 months	66.59	316.22	366.07
	672.59	369.19	418.43
Total	**7805.24**	**3496.10**	**762.52**
Bank Balances other than above			
Balances with Banks - unpaid dividend	4.22	4.23	4.16

Notes on Consolidated Financial Statements for the year ended March 31, 2017

11. LOANS - CURRENT FINANCIAL ASSETS

(Unsecured, considered good)

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advance to Employees			
Unsecured, considered good	209.18	149.85	141.32
Unsecured, considered doubtful	-	70.50	-
	209.18	220.35	141.32
Less : Provision for Doubtful Advances	-	70.50	-
	209.18	149.85	141.32
Loan to Joint Venture Company	-	496.86	-
Insurance Claim Receivable	124.19	62.44	38.76
Total	**333.37**	**709.15**	**180.08**

12. OTHER CURRENT ASSETS

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advance against Purchases	1822.29	1576.02	608.87
Prepaid Expenses	493.95	441.93	318.45
Unmatured Finance Charges	259.32	167.56	205.76
Prepaid Lease Rentals	18.93	18.63	18.63
Export Incentive Receivable	20.40	0.86	-
Import Licenses in Hand	3.57	-	-
Service Tax Input Credit Receivable	428.81	164.55	215.09
Amount due from Central Excise Authorities	2915.52	4099.16	3511.69
Advance Payment of Income Tax (Less Provision)	49.08	-	-
Advance Payment of Sales Tax	291.98	171.90	150.02
Biological Assets - Clonal Plants	-	7.84	32.47
Total	**6303.85**	**6648.45**	**5060.98**

13. EQUITY SHARE CAPITAL

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number	₹ in Lacs	Number	₹ in Lacs	Number	₹ in Lacs
13.1 Authorised						
Equity Shares of ₹ 1 each	160000000	1600.00	160000000	1600.00	-	-
Equity Shares of ₹ 5 each	-	-	-	-	32000000	1600.00
13.2 Issued, Subscribed and Fully Paid up						
Equity Shares of ₹ 1 each	122627395	1226.27	120681870	1206.82	-	-
Equity Shares of ₹ 5 each	-	-	-	-	24136374	1206.82
13.3 The reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year						
Equity Shares outstanding at the beginning of the year	120681870	1206.82	24136374	1206.82	24136374	1206.82
19,45,525 equity shares of ₹ 1 each alloted to Qualified Institutional Investors	1945525	19.46	-	-	-	-
2,41,36,374 equity shares of ₹ 5 each sub-divided into 5 equity shares of ₹ 1 each	-	-	120681870	1206.82	-	-
Equity Shares outstanding at the end of the year	122627395	1226.27	120681870	1206.82	24136374	1206.82

13.4 Terms/Rights attached to the Equity Shares

The Company has only one class of equity Shares having a par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The Company has proposed dividend as distribution to equity shareholders @ ₹ 0.60 per equity share (Previous year @ ₹ 0.60 per equity share)

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

13.5 Name of the Shareholders holding more than 5% Shares

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number	%	Number	%	Number	%
Equity Shares of ₹ 1 each						
S.M. Management Pvt. Ltd.	17717310	14.45%	17717310	14.68%	3543462	14.68%
Greenply Leasing and Finance Pvt. Ltd.	13573655	11.07%	13573655	11.25%	2714731	11.25%
Prime Holdings Pvt. Ltd.	12042800	9.82%	12042800	9.98%	2408560	9.98%
HSBC Bank (Mauritius) Ltd. a/c Jwalamukhi Investment Holdings	11884420	9.69%	11884420	9.85%	2376884	9.85%
Shiv Prakash Mittal and Shobhan Mittal on behalf of Trade Combines, Partnership Firm	11702380	9.54%	15502380	12.85%	-	-
SBI FMCG Fund	11405052	9.30%	-	-	-	-
HDFC Trustee Company Ltd.	10974455	8.95%	10856855	9.00%	1913642	7.93%
Ashish Dhawan	-	-	-	-	2369488	9.82%
Saurabh Mittal	-	-	-	-	1686457	6.99%

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

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

i. Allotted any class of shares as fully paid pursuant to contract(s) without payment being received in cash.

ii. Allotted fully paid up shares by way of bonus shares.

iii. Bought back any class of shares.

13.8 During the year, the Company has raised ₹ 5000 lacs through Qualified Institutional Placement (QIP) of Equity Shares. By making temporary investments of surplus funds into fixed deposits with banks and investments in mutual funds, the Company has earned ₹ 48.23 lacs as interest / income therefrom. The company has fully utilised ₹ 5048.23 lacs for the purposes for which the fund were so raised i.e. setting-up of new MDF manufacturing unit in Chittoor, Andhra Pradesh.

Notes on Consolidated Financial Statements for the year ended March 31, 2017

14. OTHER EQUITY

₹ in Lacs

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Capital Reserve						
As per last Balance Sheet	-		-		80.00	
Less : Transferred pursuant to Scheme of Arrangement	-	-	-	-	80.00	-
Capital Redemption Reserve						
As per last Balance Sheet	-		-		500.00	
Less : Transferred pursuant to Scheme of Arrangement	-	-	-	-	500.00	-
Securities Premium Account						
As per last Balance Sheet	-		-		11625.92	
Add: Received against share issue to Qualified Institutional Investors	4980.54		-		-	
Less : Expenses pertaining to share issue to Qualified Institutional Investors	128.51		-		-	
Less : Transferred pursuant to Scheme of Arrangement	-	4852.03	-	-	11625.92	-
General Reserve						
As per last Balance Sheet	16962.24		10462.24		7978.58	
Add: Transferred from Statement of Profit and Loss	6500.00		6500.00		6500.00	
Less : Transferred pursuant to Scheme of Arrangement	-		-		4016.34	
		23462.24		16962.24		10462.24
Retained Earnings						
Retained Earnings other than OCI						
As per last Balance Sheet	43369.29		37914.08		36980.28	
Add : Net profit for the current year	12544.37		12826.71		12422.94	
Add : On cessation of subsiary	-		-		(61.51)	
Add : Transfer to Other Comprehensive Income	-		-		92.55	
Less : Ind AS Transition Date adjustments	-		-		13.65	
Less : Transferred pursuant to Scheme of Arrangement	-		-		4035.35	
Less : Adjustment for Depreciation on reassesment of useful lives of tangible assets	-		-		966.18	
Less : Adjusted on cancellation of Investment	-		-		5.00	
Less : Transferred to General Reserve	6500.00		6500.00		6500.00	
Less : Dividend on Equity Shares	724.09		724.09		-	
Less : Tax on Distribution of Dividend	147.41		147.41		-	
	48542.16		43369.29		37914.08	
Other Comprehensive Income (OCI)						
As per last Balance Sheet	(107.98)		(55.89)		-	
Exchange Differences on Consolidation	(553.69)		98.90		36.66	
Remeasurements of the net defined benefit plans	(154.88)		(150.99)		(92.55)	
	(816.55)		(107.98)		(55.89)	
		47725.61		43261.31		37858.19
Total		**76039.88**		**60223.55**		**48320.43**

Nature and purpose of reserve:

Securities Premium Account

Security premium account is created when shares are issued at premium. The Company may issue fully paid-up bonus shares to its members out of the security premium reserve account, and company can use this reserve for buy-back of shares.

Notes on Consolidated Financial Statements for the year ended March 31, 2017

15. NON CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in Lacs

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Secured						
Term Loans						
From Banks						
Foreign Currency Loans	19253.22		4689.71		6345.66	
Rupee Loans	9483.56		8997.02		10569.43	
	28736.78		13686.73		16915.09	
Less : Current maturities of Long Term Borrowings	4321.97		3804.10		6472.74	
		24414.81		9882.63		10442.35
Deferred Payment Liabilities	1553.39		904.15		850.91	
Less: Current maturities of Deferred Payment Liabilities	429.74		278.23		209.47	
		1123.65		625.92		641.44
		25538.46		10508.55		11083.79
Unsecured						
Deferred Payment Liabilities	1512.36		2246.01		2047.43	
Less: Current maturities of Deferred Payment Liabilities	465.92		629.27		552.00	
		1046.44		1616.74		1495.43
Total		**26584.90**		**12125.29**		**12579.22**

15.1 (a) Term Loan from Landesbank Baden-Wurttenberg of ₹ 1361.89 lacs is secured by exclusive charge on Main Press Line of MDF plant at Pantnagar, Uttarakhand.

(b) Term Loan from Landesbank Baden-Wurttenberg of ₹ 17814.91 lacs availed during the year is secured by exclusive charge on Main Press Line of MDF plant at Chittor, Andhra Pradesh along with any other movable fixed assets financed by Landesbank Baden-Wurttenberg.

(c) Other Term Loans of ₹ 9559.98 lacs are secured by:

(i) First pari passu charge on immovable fixed assets of the Holding Company at Kriparampur (West Bengal), Pantnagar (Uttarakhand) and Chittoor (Andhra Pradesh).

(ii) First pari passu charge on all movable fixed assets of the Holding Company except assets specifically charged to other lender(s) (including the main press line of MDF plant at Pantnagar (Uttarakhand) and 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.

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

Notes on Consolidated Financial Statements for the year ended March 31, 2017

15.3 TERMS OF REPAYMENT AND RATE OF INTEREST

₹ in Lacs

		Repayment Schedule					
	Rate of Interest	2017-18*	2018-19	2019-20	2020-21	2021-22	2022-23 till end
Term Loans from Banks (Secured)							
2 Half Yearly Installments	2.84%	1361.89	-	-	-	-	-
4 Quarterly Installments	3.34%	897.31	-	-	-	-	-
20 Half Yearly Installments	0.50%	-	-	1781.49	1781.49	1781.49	12470.44
20 Quarterly Installments	3.75%	-	-	65.02	260.09	260.09	715.25
20 Quarterly Installments	8.30%	-	-	-	400.00	400.00	1200.00
15 Quarterly Installments	9.35%	800.00	800.00	800.00	600.00	-	-
12 Quarterly Installments	9.65%	504.00	504.00	504.00	-	-	-
12 Quarterly Installments	9.65%	500.00	500.00	500.00	-	-	-
12 Quarterly Installments	9.50%	500.00	500.00	500.00	-	-	-
Prepaid Processing Fees		(241.23)	(314.27)	(248.84)	(282.50)	(249.48)	(813.46)
		4321.97	**1989.73**	**3901.67**	**2759.08**	**2192.10**	**13572.23**
Deferred Payment Liabilities							
Secured	8% - 11%	429.74	328.10	252.98	182.32	162.51	197.74
Unsecured	5% - 11%	465.92	261.93	236.99	236.99	211.40	99.13
		895.66	**590.03**	**489.97**	**419.31**	**373.91**	**296.87**

* Represents Current Maturities of Long Term Borrowings.

15.4 The Group has not defaulted in repayment of loans and interest during the year.

15.5 During the year, the Company has raised ₹ 21115.36 lacs by way of term loans from Banks. The company has utilised ₹ 18509.36 lacs for the purposes for which the term loans were so raised i.e. setting-up of new MDF manufacturing unit in Chittoor, Andhra Pradesh and the balance amount of ₹ 2606 lacs is unutilised.

16. NON-CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Dues to Others	1762.94	-	-

17. NON CURRENT-OTHER FINANCIAL LIABILITIES

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Security Deposits from Customers	1117.89	1148.83	1026.52

18. NON CURRENT PROVISIONS

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provisions for Employee Benefits (unfunded)			
For Gratuity	1578.18	1240.68	947.11
For Leave Encashment	558.02	522.93	377.81
Total	**2136.20**	**1763.61**	**1324.92**

19. DEFERRED TAX LIABILITIES (NET)

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Deferred Tax Liabilities			
Depreciation	4876.59	5017.50	4928.05
Less : Deferred Tax Assets			
Provision for Gratuity/Liabilities	2066.65	1580.25	1229.02
Less : MAT Credit			
MAT Credit Entitlement	1407.59	3465.70	4095.40
Total	**1402.35**	**(28.45)**	**(396.37)**

20. CURRENT FINANCIAL LIABILITIES BORROWINGS

₹ in Lacs

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Secured						
Loans Repayable on Demand						
Working Capital Loans						
from Banks						
Foreign Currency Loans	928.37		463.73		-	
Rupee Loans	3405.70	4334.07	2277.08	2740.81	3652.97	3652.97
Unsecured						
Other Loans and advances						
from Banks						
Foreign Currency Loan - Buyers' Credit	2605.89		4302.93		9124.96	
Channel Finance Assurance Facility	955.23		3119.69		-	
from Others						
Rupee Loans	-	3561.12	-	7422.62	109.20	9234.16
Total		**7895.19**		**10163.43**		**12887.13**

20.1 Working Capital Loans of the Holding Company of ₹ 3405.70 lacs are secured by:

(i) First pari passu charge on all current assets of the Holding Company.

(ii) Second pari passu charge on immovable fixed assets of the Holding Company at Kriparampur (West Bengal), Pantnagar (Uttarakhand) and Chittoor (Andhra Pradesh).

(iii) Second pari passu charge on all movable fixed assets of the Holding Company except assets specifically charged to other lender(s) (including the main press line of MDF plant at Pantnagar (Uttarakhand) and main press line of MDF plant at Chittoor (Andhra Pradesh) along with any other movable fixed assets exclusively charged to Landesbank Baden-Wurttenberg).

20.2 Working Capital Loan of Greenply Trading Pte. Ltd. of USD 7.75 lacs i.e. ₹ 504.07 lacs is repayable or due for roll over on 22 May 2017 and carries interest @ 2.32% per annum. The loan is secured by Standby Letter of Credit of USD 15 lacs issued through CITI Bank, India.

Working Capital Loan of Greenply Middle East Ltd. of USD 6.53 lacs i.e. ₹ 424.30 lacs is repayable or due for roll over on 24 January 2018 and carries interest @ 3.73 % per annum. The loan is secured by Standby Letter of Credit of USD 10 lacs issued through CITI Bank, India.

20.3 The company has not defaulted in repayment of loans and interest during the year.

Notes on Consolidated Financial Statements for the year ended March 31, 2017

21. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Dues to Micro and Small Enterprises (Refer Note 45)	3.78	12.72	-
Dues to Others	29860.46	24807.31	22482.54
Dues to Joint Venture	81.08	86.36	259.03
Total	**29945.32**	**24906.39**	**22741.57**

22. CURRENT-OTHER FINANCIAL LIABILITIES

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current maturities of Long Term Borrowings*	4321.97	3804.10	6472.74
Current maturities of Deferred Payment Liabilities*	895.66	907.50	761.47
Interest accrued but not due on borrowings	82.82	30.62	49.79
Total	**5300.45**	**4742.22**	**7284.00**

* The terms are stated in Notes 15.1 to 15.4

23. OTHER CURRENT LIABILITIES

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advance from Customers	913.01	747.66	810.00
Unpaid Dividends	4.22	4.23	4.16
Statutory Dues	2477.12	2183.76	1784.08
Provision for Cash Discount	366.16	300.50	285.22
Derivative Instruments-Mark to Market valuation	169.85	139.35	260.44
Total	**3930.36**	**3375.50**	**3143.90**

23.1 Amount due and outstanding to be credited to the Investor Education and Protection Fund ₹ Nil (Previous Year ₹ Nil)

24. CURRENT PROVISIONS

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provisions for Employee Benefits (unfunded)			
For Gratuity	247.27	203.67	147.98
For Leave Encashment	230.80	126.58	82.31
Total	**478.07**	**330.25**	**230.29**

25. CURRENT TAX LIABILITIES (NET)

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provision for Taxation (Net of advance tax)	-	55.83	166.47

Notes on Consolidated Financial Statements for the year ended March 31, 2017

26. REVENUE FROM OPERATIONS

₹ in Lacs

	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
Sale of Products (including Excise Duty)				
Manufactured Goods	149485.62		145718.61	
Traded Goods	27859.09		25592.40	
		177344.71		171311.01
Other Operating Revenue				
Insurance Claim	56.54		37.83	
Export Incentives	49.16		4.79	
Miscellaneous Income	118.04		34.12	
		223.74		76.74
Total		**177568.45**		**171387.75**

26.1 PARTICULARS OF SALE OF PRODUCTS

₹ in Lacs

	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
Manufactured Goods				
Plywood and Allied Products [including exports ₹ 124.74 lacs (Previous year ₹ 374.42 lacs)]	100553.13		96971.19	
Medium Density Fibre Board [including exports ₹ 2783.02 lacs (Previous year ₹ 86.89 lacs)]	45934.18		45922.00	
Wooden Flooring [including exports ₹ 292.91 lacs (Previous year ₹ 36.79 lacs)]	2166.04		1586.28	
Others	832.27		1239.14	
		149485.62		145718.61
Traded Goods				
Plywood and Allied Products	26841.91		25163.20	
Wallcovers	1017.18		429.20	
		27859.09		25592.40
Total		**177344.71**		**171311.01**

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

27. OTHER INCOME

₹ in Lacs

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Excise Duty Refund	620.87	593.79
Commission on Corporate Guarantee	30.99	2.90
Liabilities no longer required written back	182.49	193.54
Rental Income	0.60	17.22
Interest Income	125.01	118.55
Profit on Sale of Current Investments	38.50	-
Management Fees	-	6.10
Service Tax Refund	-	51.64
Profit on Sale of Long Term Investments	-	13.02
Total	**998.46**	**996.76**

Notes on Consolidated Financial Statements for the year ended March 31, 2017

28. COST OF MATERIALS CONSUMED

₹ in Lacs

	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
Paper		1289.12		1310.79
Timber		28718.59		33614.48
Veneer		18133.63		15536.77
Chemicals		15452.83		14648.37
Plywood, Particle Board and MDF		5036.22		4582.40
Laminates, Doorskin and Cubicals		318.96		456.83
Total		**68949.35**		**70149.64**
	(%)		(%)	
Imported	25%	17455.96	32%	22765.35
Indigenous	75%	51493.39	68%	47384.29
Total	**100%**	**68949.35**	**100%**	**70149.64**

28.1 Cost of Materials Consumed includes cost of materials sold ₹ 750.08 lacs (Previous year ₹1016.42 lacs)

29. PURCHASE OF STOCK IN TRADE

₹ in Lacs

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Plywood and Allied Products	21349.18	19995.19
Medium Density Fibre Board	349.79	-
Wallcovers	1482.63	386.72
Total	**23181.60**	**20381.91**

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

₹ in Lacs

	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
Opening Stock				
Finished Goods	1620.11		3356.93	
Stock in Trade	1300.04		991.56	
Stock in Process	1151.24	4071.39	1201.15	5549.64
Closing Stock				
Finished Goods	3793.18		1620.11	
Stock in Trade	2461.59		1300.04	
Stock in Process	1605.75	7860.52	1151.24	4071.39
Total		**(3789.13)**		**1478.25**

31. EMPLOYEES BENEFITS EXPENSE

₹ in Lacs

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Salary, Wages and Bonus	16525.80	15639.03
Contribution to Provident Fund and Employees' State Insurance	874.60	819.94
Employees' Welfare Expenses	320.45	276.31
Total	**17720.85**	**16735.28**

31.1 Disclosures Regarding Employee Benefits

i) Defined Contribution Plan: Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organisation established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

ii) Defined Benefit Plan: Retirement benefits in the form of Gratuity and Leave Encashment are considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972.

As the Company has not funded its liability, it has nothing to disclose regarding plan assets and its reconciliation.

iii) Acturial Valuation of Gratuity Liability :

₹ in Lacs

		For the year ended 31st March, 2017	For the year ended 31st March, 2016
a)	**Defined Benefit Cost**		
	Current Service Cost	229.02	197.02
	Interest Expense on Defined Benefit Obligation (DBO)	111.18	87.61
	Defined Benefit Cost included in Profit and Loss	**340.20**	**284.63**
	Remeasurements - Due to Financial Assumptions	142.55	136.47
	Remeasurements - Due to Experience Adjustments	7.60	30.38
	Defined Benefit Cost included in Other Comprehensive Income	**150.15**	**166.85**
	Total Defined Benefit Cost in Profit and Loss and OCI	**490.35**	**451.48**
b)	**Movement in Defined benefit liability:**		
	Opening Defined Benefit Obligation	1444.35	1095.09
	Interest Expense on Defined Benefit Obligation (DBO)	111.18	87.61
	Current Service Cost	229.02	197.02
	Total Remeasurements included in OCI	150.15	166.85
	Less: Benefits paid	(109.25)	(102.22)
	Closing benefit obligation	**1825.45**	**1444.35**
	Current Liabilities of Closing benefit obligation	247.27	203.67
	Non-Current Liabilities of Closing benefit obligation	1578.18	1240.68
		1825.45	**1444.35**

c)	**Sensitivity Analysis:**	% Change	DBO	% Change	DBO
	Under Base Scenario	0.0%	1825.45	0.0%	1444.35
	Salary Escalation - Increase by 1%	9.7%	2002.31	10.8%	1600.11
	Salary Escalation - Decrease by 1%	-8.4%	1671.79	-9.4%	1307.88
	Withdrawl Rates - Increase by 1%	0.2%	1829.49	1.1%	1460.24
	Withdrawl Rates - Decrease by 1%	-0.3%	1819.98	-0.9%	1431.35
	Discount Rates - Increase by 1%	-7.8%	1682.90	-9.2%	1311.40
	Discount Rates - Decrease by 1%	9.1%	1992.25	10.7%	1598.55

d)	**Actuarial assumptions:**		
	Mortality Table	IALM 2006-2008	IALM 2006-2008
	Discount Rate (per annum)	7.00%	8.00%
	Rate of escalation in salary (per annum)	6.00%	6.00%
	Withdrawal rate	1% - 8%	1% - 8%

Notes on Consolidated Financial Statements for the year ended March 31, 2017

iv) Acturial Valuation of Leave Encashment Liability :

₹ in Lacs

		For the year ended 31st March, 2017	For the year ended 31st March, 2016
a)	**Net Employee Expense/(benefit):**		
	Current Service Cost	137.82	185.06
	Interest Expense on Defined Benefit Obligation (DBO)	46.69	36.81
	Defined Benefit Cost included in Profit and Loss	**184.51**	**221.87**
	Remeasurements - Due to Financial Assumptions	25.80	35.14
	Remeasurements - Due to Experience Adjustments	60.89	28.90
	Defined Benefit Cost included in Other Comprehensive Income	**86.69**	**64.04**
	Total Defined Benefit Cost in Profit and Loss and OCI	**271.20**	**285.91**
b)	**Movement in Defined benefit liability:**		
	Opening Defined Benefit Obligation	649.51	460.11
	Interest Expense on Defined Benefit Obligation (DBO)	46.69	36.81
	Current Service Cost	137.82	185.06
	Total Remeasurements included in OCI	86.69	64.04
	Less: Benefits paid	(131.89)	(96.51)
	Closing benefit obligation	**788.82**	**649.51**
	Current Liabilities of Closing benefit obligation	230.80	126.58
	Non-Current Liabilities of Closing benefit obligation	558.02	522.93
		788.82	**649.51**

		% Change	DBO	% Change	DBO
c)	**Sensitivity Analysis:**				
	Under Base Scenario	0.0%	788.82	0.0%	649.51
	Salary Escalation - Increase by 1%	4.2%	821.84	12.1%	728.06
	Salary Escalation - Decrease by 1%	-3.9%	757.94	-10.4%	581.71
	Attrition Rates - Increase by 1%	0.2%	790.73	1.1%	656.66
	Attrition Rates - Decrease by 1%	-0.2%	787.16	-0.9%	643.67
	Discount Rates - Increase by 1%	-3.3%	763.02	-10.2%	583.44
	Discount Rates - Decrease by 1%	3.6%	816.99	12.0%	727.27

d)	**Actuarial assumptions:**		
	Mortality Table	IALM 2006-2008	IALM 2006-2008
	Discount Rate (per annum)	7.00%	8.00%
	Rate of escalation in salary (per annum)	6.00%	6.00%
	Attrition rate	1% - 8%	1% - 8%

v) Amount incurred as expense for defined contribution to Provident Fund is ₹ 675.25 lacs (Previous Year ₹ 666.48 lacs).

32. FINANCE COSTS

₹ in Lacs

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Interest Expense	1777.72	2752.83
Other Borrowing Cost - Loan Processing Fees	114.22	185.95
Total	**1891.94**	**2938.78**

i) Borrowing cost capitalised during the year as per weighted average cost of capital is ₹ 489.25 lacs (Previous Year ₹ 26.51 lacs).

33. DEPRECIATION AND AMORTISATION EXPENSE

₹ in Lacs

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Depreciation of Plant, Property and Equipment	4958.63	4875.79
Amortisation of Intangible Assets	107.65	92.61
Total	**5066.28**	**4968.40**

Notes on Consolidated Financial Statements for the year ended March 31, 2017

34. OTHER EXPENSES

₹ in Lacs

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Consumption of Stores and Spares	1644.80	1633.88
Power and Fuel	6828.30	6589.11
Rent	1136.04	884.04
Repairs to Buildings	153.58	141.22
Repairs to Machinery	1239.70	1123.95
Insurance	373.95	275.66
Rates and Taxes	551.11	478.84
Travelling Expenses	1717.96	1688.26
Freight and Delivery Expenses	10013.70	9578.98
Export Expenses	656.84	44.81
Advertisement and Sales promotion	6241.98	4863.80
Independent Directors' Commission*	69.00	68.70
Directors' Sitting Fees*	29.19	24.61
Auditors' Remuneration	38.25	28.31
Secretarial Auditor's Remuneration	1.00	1.00
Donation	38.89	24.40
Corporate Social Responsibility (CSR) Expenses	317.93	262.19
Bank Charges	158.24	160.17
Loss on Sale and Discard of Fixed Assets	227.13	423.18
Miscellaneous Expenditure written off	30.45	94.57
Amortisation of Prepaid Lease Rentals	18.84	18.63
Loss/(Gain) on Fair Valuation of Quoted Investments	0.12	(18.92)
Provision for Doubtful Debts and Advances	230.68	57.96
Loss/(Gain) due to Fluctuation in Foreign Exchange Rates	237.92	(42.78)
Other General Expenses	4289.80	3702.15
Total	**36245.40**	**32106.72**

* inclusive of service tax

34.1 CONSUMPTION OF STORES AND SPARES

	(%)		(%)	
Imported	24%	391.61	23%	373.14
Indigenous	76%	1253.19	77%	1260.74
Total	**100%**	**1644.80**	**100%**	**1633.88**

34.2 AUDITORS' REMUNERATION

As Auditors	35.46	25.31
For Other Services - Certifications	2.79	3.00
Total	**38.25**	**28.31**
Note : Fees are exclusive of Cenvatable Service Tax		

34.3 DETAILS OF CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENSES:

(a) Gross Amount required to be spent by the Company during the year	307.26	293.03
(b) Amount spent during the year in cash on :		
(i) Construction/acquisition of any asset	-	15.50
(ii) On purposes other than (i) above		
- Contribution towards Women Empowerment	-	2.40
- Contribution towards Healthcare	-	6.87
- Contribution towards Vocational Skill Development	-	24.92
- Contribution towards Child Care and Nutrition	-	10.50
- Contribution towards Plantation activities	77.93	-
- Contribution to a trust i.e. Greenply Foundation	240.00	202.00
Total	**317.93**	**262.19**

Notes on Consolidated Financial Statements for the year ended March 31, 2017

35. TAXATION

₹ in Lacs

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Tax Expense recognised in the Statement of Profit and Loss:		
Current Tax Expense	4058.81	3693.83
Mat Credit Entitlement	1950.52	629.70
Income Tax Expense	6009.33	4323.53
Earlier Years Tax Expense	123.66	-
Income Tax Expense including Earlier year tax	6132.99	4323.53
Release of Deferred Tax	(545.34)	(181.87)
Total Tax Expense in Statement of Profit and Loss	5587.65	4141.66
Release of Deferred Tax in Other Comprehensive Income	(81.97)	(79.91)
Total Tax Expense in Total Comprehensive Income	**5505.68**	**4061.75**
Reconciliation of Tax Expense recognised in the Statement of Profit and Loss:		
Profit before Tax as per Statement of Profit and Loss	18132.02	16968.37
Loss of the Subsidaries included in consolidation	962.84	289.94
Re-measurement gain/(loss) on defined benefit plans in OCI	(236.85)	(230.89)
Changes in Profit before tax due to Ind AS Transition	-	245.56
Accounting Profit before Tax	18858.01	17272.98
Applicable Income Tax rate	34.608%	34.608%
Computed Tax expense	6526.38	5977.83
Additional deductions for tax purpose	(1115.77)	(1681.62)
Expense not allowed for tax purpose	129.15	30.22
Timing difference of Depreciation	140.91	(150.07)
Timing difference of Liabilities	328.62	147.17
Fair Valuation of Quoted Investments	0.04	-
Income Tax charged to Statement of Profit and Loss	**6009.33**	**4323.53**
Reconciliation of Deferred Tax Liability:		
Timing difference of Depreciation	(140.91)	89.45
Timing difference of Liabilities	(327.46)	(207.63)
Fair Valuation of Quoted Investments	(0.04)	(8.52)
Indexation difference of Freehold Land	(76.93)	(55.17)
Release of Deferred Tax in Statement of Profit and Loss	(545.34)	(181.87)
Timing difference of Liabilities in Other Comprehensive Income	(81.97)	(79.91)
Release of Deferred Tax in Total Comprehensive Income	**(627.31)**	**(261.78)**

36. EARNINGS PER SHARE

₹ in Lacs

		For the year ended 31st March, 2017	For the year ended 31st March, 2016
Basic and Diluted Earnings Per Share:			
Number of Equity Shares at the beginning of the year		120681870	120681870
Number of Equity Shares alloted on 16.08.2016		1945525	-
Number of Equity Shares at the end of the year		122627395	120681870
Weighted average number of equity shares		121897157	120681870
Profit for the year (after tax, available for equity shareholders)	₹ in Lacs	12544.37	12826.71
Basic and Diluted Earnings Per Share	₹	**10.29**	**10.63**

Notes on Consolidated Financial Statements for the year ended March 31, 2017

37. SEGMENT REPORTING

Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company. As part of Secondary reporting, revenues are attributed to geographical areas based on the location of the customers. The following table present the revenue, profit, assets and liabilities information relating to the business / geographical segment for the year ended 31st March, 2017

Information about Business Segments - Primary

₹ in Lacs

REPORTABLE SEGMENT	Plywood and Allied Products		Medium Density Fibre Board and Allied Products		Un Allocated		Total	
	For the year ended		For the year ended		For the year ended		For the year ended	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
REVENUE								
External Sales	128191.30	123312.72	48136.23	47569.09	1017.18	429.20	177344.71	171311.01
Inter-segment Sales	-	-	-	-	-	-	-	-
Gross Sales	128191.30	123312.72	48136.23	47569.09	1017.18	429.20	177344.71	171311.01
Other Operating Income	129.82	49.89	93.92	26.85	-	-	223.74	76.74
Revenue from Operation	**128321.12**	**123362.61**	**48230.15**	**47595.94**	**1017.18**	**429.20**	**177568.45**	**171387.75**
Share of Profit - Joint Venture	223.92	119.35	-	-	-	-	223.92	119.35
Total Revenue	**128545.04**	**123481.96**	**48230.15**	**47595.94**	**1017.18**	**429.20**	**177792.37**	**171507.10**
RESULT								
Segment Result	12762.80	10777.86	11065.62	12344.08	(259.99)	(85.79)	23568.43	23036.15
Unallocated Expenses net of Unallocable Income					3669.48	3247.55	3669.48	3247.55
Operating Profit							19898.95	19788.60
Less : Interest Expense					1891.94	2938.78	1891.94	2938.78
Add : Interest Income					125.01	118.55	125.01	118.55
Profit before Tax							18132.02	16968.37
Current Tax including Earlier Year Tax							(6132.99)	(4323.53)
Deferred Tax							545.34	181.87
Profit after Tax							12544.37	12826.71
Other Comprehensive Income							(708.57)	(52.08)
Total Comprehensive Income for the year, net of Tax							**11835.80**	**12774.63**
OTHER INFORMATION								
Segment Assets	74921.80	70942.96	75327.48	43412.33	7570.54	5657.98	157819.82	120013.27
Segment Liabilities	29499.39	23833.78	7933.98	6033.06	2020.23	1744.19	39453.60	31611.03
Loan Fund					39697.72	27000.32	39697.72	27000.32
Deferred Tax Liabilities (Net)					1402.35	(28.45)	1402.35	(28.45)
Shareholders' Funds					77266.15	61430.37	77266.15	61430.37
Total Liabilities							**157819.82**	**120013.27**
Capital Expenditure	7393.09	2771.18	22288.03	4134.38	583.58	740.70	30264.70	7646.26
Depreciation	2434.99	2559.36	2238.41	2022.78	392.88	386.26	5066.28	4968.40

Secondary Segment - Geographical by location of customers

₹ in Lacs

	Revenue		Carrying Amount of Segment Assets		Additions to Fixed Assets	
	For the year ended		For the year ended		For the year ended	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Within India	174367.78	170889.65	153234.65	118652.76	23283.88	6416.26
Outside India	3200.67	498.10	4585.17	1360.51	6980.82	1230.00
Total	**177568.45**	**171387.75**	**157819.82**	**120013.27**	**30264.70**	**7646.26**

Notes on Consolidated Financial Statements for the year ended March 31, 2017

NOTES:

a) Business Segments :

A description of the types of products and services provided by each reportable segment is as follows:

Plywood and Allied Products: The Segment is engaged in the business of manufacturing and trading of Plywood, block boards, veneer, doors and other wood panel products through its wholesale and retail network.

Medium Density Fibre Boards and Allied Products: The Segment is engaged in the business of manufacturing of Medium Density Fibre Boards and other allied products through its wholesale and retail network.

b) Segment Assets and Liabilities :

All Segment Assets and liabilities are directly attributable to the segment. Segment assets include all operating assets used by the segment and consist principally of fixed assets, inventories, sundry debtors, advances and operating cash and bank balances. Segment assets and liabilities do not include share capital, reserves and surplus, borrowings, proposed dividend and income tax (both current and deferred).

c) Segment Revenue and Expenses :

Segment revenue and expenses are directly attributable to the segment. It does not include dividend income, profit on sale of investments, interest income, interest expense, other expenses which cannot be allocated on a reasonable basis and provision for income tax (both current and deferred). 'Unallocated Expenses net of Unallocable Income' include Corporate Expenses which cannot be allocated on a reasonable basis and exceptional items.

38. RELATED PARTY DISCLOSURES

38.1 List of related parties and relationship:

a) Related parties where control exists

Company in which a Subsidiary is a Joint Venture Partner

i) Greenply Alkemal (Singapore) Pte. Ltd., Singapore

b) Related parties with whom transactions have taken place during the year.

Key Management Personnel/Director

i) Mr. Shiv Prakash Mittal, Executive Chairman
ii) Mr. Rajesh Mittal, Managing Director
iii) Mr. Shobhan Mittal, Joint Managing Director & CEO
iv) Mr. Susil Kumar Pal, Independent Director
v) Mr. Vinod Kumar Kothari, Independent Director
vi) Mr. Anupam Kumar Mukerji, Independent Director
vii) Mr. Upendra Nath Challu, Independent Director
viii) Ms. Sonali Bhagwati Dalal, Independent Director
ix) Mr. Moina Yometh Konyak, Non-Executive Director
x) Mr. V. Venkatramani, Chief Financial Officer
xi) Mr. Kaushal Kumar Agarwal, Company Secretary & VP - Legal

Enterprises Owned/Influenced by Key Management Personnel or their relatives

i) Prime Holdings Pvt. Ltd.
ii) Trade Combines
iii) RS Homcon Ltd.
iv) Greenlam Industries Ltd.

Relatives of Key Management Personnel

i) Mrs. Chitwan Mittal (Wife of Mr. Shobhan Mittal)
ii) Mrs. Surbhi Poddar (Daughter of Mr. Rajesh Mittal)
iii) Mr. Sanidhya Mittal (Son of Mr. Rajesh Mittal)

Notes on Consolidated Financial Statements for the year ended March 31, 2017

38.2 Transactions During the year:

₹ in Lacs

Particulars	Joint Venture Companies		Key Management Personnel / Director		Enterprises Owned/ Influenced by Key Management Personnel or their relatives		Relatives of Key Management Personnel	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Sale of Products								
Greenlam Industries Ltd.	-	-	-	-	122.05	168.42	-	-
Total	**-**	**-**	**-**	**-**	**122.05**	**168.42**	**-**	**-**
Rental Income								
Greenlam Industries Ltd.	-	-	-	-	0.60	0.60	-	-
Total	**-**	**-**	**-**	**-**	**0.60**	**0.60**	**-**	**-**
Commission on Corporate Guarantee/SBLC								
Greenply Alkemal (Singapore) Pte. Ltd.	31.00	2.90	-	-	-	-	-	-
Total	**31.00**	**2.90**	**-**	**-**	**-**	**-**	**-**	**-**
Purchase of Products								
Greenlam Industries Ltd.	-	-	-	-	209.86	208.20	-	-
Greenply Alkemal (Singapore) Pte. Ltd.	968.73	2023.56	-	-	-	-	-	-
Total	**968.73**	**2023.56**	**-**	**-**	**209.86**	**208.20**	**-**	**-**
Payment towards Services received								
Prime Holdings Pvt. Ltd.	-	-	-	-	17.83	16.98	-	-
Trade Combines	-	-	-	-	3.24	3.09	-	-
RS Homcon Ltd.	-	-	-	-	7.06	5.60	-	-
Total	**-**	**-**	**-**	**-**	**28.13**	**25.67**	**-**	**-**
Corporate Guarantee Given								
Greenply Alkemal (Singapore) Pte. Ltd.	975.34	993.71	-	-	-	-	-	-
Total	**975.34**	**993.71**	**-**	**-**	**-**	**-**	**-**	**-**
Remuneration Paid								
Shri Shiv Prakash Mittal	-	-	531.56	504.21	-	-	-	-
Shri Rajesh Mittal	-	-	520.08	492.73	-	-	-	-
Shri Shobhan Mittal	-	-	405.71	440.44	-	-	-	-
Mr. Susil Kumar Pal	-	-	16.70	15.70	-	-	-	-
Mr. Vinod Kumar Kothari	-	-	16.50	13.50	-	-	-	-
Mr. Anupam Kumar Mukerji	-	-	15.30	15.90	-	-	-	-
Mr. Upendra Nath Challu	-	-	14.50	14.50	-	-	-	-
Ms. Sonali Bhagwati Dalal	-	-	12.00	11.60	-	-	-	-
Mr. Moina Yometh Konyak	-	-	10.40	10.40	-	-	-	-
Mr. V. Venkatramani	-	-	76.23	78.02	-	-	-	-
Mr. Kaushal Kumar Agarwal	-	-	37.89	39.50	-	-	-	-
Mrs. Chitwan Mittal	-	-	-	-	-	-	21.22	14.21
Mrs. Surbhi Poddar	-	-	-	-	-	-	14.21	11.37
Mr. Sanidhya Mittal	-	-	-	-	-	-	19.61	17.05
Total	**-**	**-**	**1656.87**	**1636.50**	**-**	**-**	**55.04**	**42.63**

Notes on Consolidated Financial Statements for the year ended March 31, 2017

₹ in Lacs

Particulars	Joint Venture Companies		Key Management Personnel / Director		Enterprises Owned/ Influenced by Key Management Personnel or their relatives		Relatives of Key Management Personnel	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Sale of Equity Investments								
Greenply Alkemal (Singapore) Pte. Ltd.	-	1958.45	-	-	-	-	-	-
Mr. Saurabh Mittal	-	-	-	-	-	-	-	64.70
Total	**-**	**1958.45**	**-**	**-**	**-**	**-**	**-**	**64.70**
Amount outstanding as at Balance Sheet date:								
Trade Payable								
Greenply Alkemal (Singapore) Pte. Ltd.	81.08	86.36	-	-	-	-	-	-
Total	**81.08**	**86.36**	**-**	**-**	**-**	**-**	**-**	**-**
Trade Receivable								
Greenlam Industries Ltd.	-	-	-	-	0.61	-	-	-
Total	**-**	**-**	**-**	**-**	**0.61**	**-**	**-**	**-**
Remuneration Payable								
Shri Shiv Prakash Mittal	-	-	286.42	259.09	-	-	-	-
Shri Rajesh Mittal	-	-	286.42	259.09	-	-	-	-
Shri Shobhan Mittal	-	-	286.42	259.09	-	-	-	-
Total	**-**	**-**	**859.26**	**777.27**	**-**	**-**	**-**	**-**

Notes : Related Party Relationship is as identified by the Company and relied upon by the Auditors.

39. FIRST-TIME ADOPTION OF IND AS:

These are company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out herein have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2015 (the company's date of transition). In preparing its opening Ind AS balance sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP).

Following notes explains the effect of transition from previous GAAP to Ind AS on the company's financial position, financial performance and cash flows.

39.1 Business Combinations:

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date. The company has elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated.

39.2 Carrying value of Property, Plant and Equipment:

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. The company has elected to apply to measure all of its property, plant and equipment, and intangible assets at their previous GAAP carrying value.

39.3 Estimates:

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in confirmity with previous GAAP. The company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

(i) Quoted Investments in Equity Shares carried at fair value through Profit and Loss;

(ii) Derivative financial instruments carried at fair value;

(iii) Impairment of trade receivables based on expected credit loss model.

39.4 Fair Valuation of Investments:

Under the previous GAAP, investments in equity instruments were classified as long-term investments or current investments based on the intended holding period and realisability. Long term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value, except in case of investments in subsidaries where an option to carry at cost less impairment is available.

Accordingly, equity investments in subsidaries have been carried at cost resulting in no changes. Investments in quoted equity shares have been measured at fair value through profit and loss (FVTPL), resulting in increase of ₹ 24.83 lacs in investments and retained earnings on transition date. Subsequently, during year ended 31 March 2016 profit increased by ₹ 18.92 lacs and profit on sale of investments decreased by ₹ 43.53 lacs due to fair valuation along with corresponding impact on investments. As such, net increase in investments on account of fair valuation as on 31 March 2016 is ₹ 0.21 lacs.

39.5 Leasehold Land:

Under Ind AS, classification of lease into operating or finance is based on various principles. A lease is classified as finance lease if it transfers substantially all the risks and rewards incidental to ownership. Leasehold lands held by the company have present value of minimum lease payments lesser than the fair value on date of inception of lease and as such the same is reclassified as operating lease and have been shown as Prepaid Lease rentals under current assets. Cost of leasehold land comprised of upfront amount paid on inception of lease. As such leasehold land of ₹ 1526.13 lacs under fixed assets on transition date has been reclassified to Prepaid Lease rentals of ₹ 1509.75 lacs and ₹ 16.38 lacs has been charged to retained earnings.

39.6 Borrowings:

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit and loss over the tenure of the borrowings as part of the interest expense by applying the effective interest rate method. Under previous GAAP, these transaction costs were charged to profit and loss as and when incurred, or were capitalised to plant and machinery if the same pertains to new project or expansion of existing facility.

Accordingly on transition date, borrowings are reduced by ₹ 172.14 lacs with corresponding credit to retained earnings. Subsequently, during year ended 31 March 2016 interest cost and borrowings has increased by ₹ 90.62 lacs on account of application of effective interest rate method.

39.7 Proposed Dividend:

Under the previous GAAP, dividends proposed by the board of directors after the balance

Notes on Consolidated Financial Statements for the year ended March 31, 2017

sheet but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting.

Accordingly, the liability for proposed dividend of ₹ 724.09 lacs and dividend distribution tax of ₹ 147.41 lacs on transition date has been derecognised in the retained earnings.

Liability for proposed dividend of ₹ 724.09 lacs and dividend distribution tax of ₹ 147.41 lacs which was dereognised on the transition date, has been recognised in the retained earnings during the year ended 31 March 2016, as declared and paid.

39.8 Excise Duty:

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended 31 March 2016 by ₹ 6776.51 lacs. There is no impact on total equity and profit.

Company's Tizit unit is entitled to refund of excise duty which was accounted as part of revenue from sale of goods under previous GAAP. Under Ind AS, the same shall be recognised as Other Income. As such, refund of excise duty of ₹ 593.79 lacs for the year ended 31 March 2016 has been reclassified to Other Income. There is no impact on total equity and profit.

39.9 Biological Assets:

Under the previous GAAP, Clonal Plants were a part of inventory and were valued at lower of cost or net realisable value. Under Ind AS, Clonal Plants are not considered as a part of inventory, and are required to be valued at fair value only. As such, Clonal Plants amounting to ₹ 28.60 lacs have been reclassified to other current assets and value thereof has been increased by ₹ 3.87 lacs on transition date. During the year ended 31 March 2016, value of clonal plants decreased by ₹ 3.87 lacs on account of fair valuation.

39.10 Finance Costs:

Under previous GAAP a substantial period of time to get ready an qualifying asset was specified. Under Ind AS no such period is stated and so interest on borrowings amounting to ₹ 26.52 lacs which was expensed earlier has now been capitalised during the year ended 31 March 2016.

39.11 Capitalisation of Pre-Operative Expenses:

Under previous GAAP, all pre-operative expenses including administrative and general overheads were capitalised to the cost of assets. Under Ind AS, these expenses are not required to be capitalised. Accordingly during the year ended 31 March 2016, administrative overheads of ₹ 30.86 lacs, finance costs of ₹ 0.39 lacs, and foreign exchange gain of ₹ 39.28 lacs have been readjusted resulting into net increase of ₹ 8.03 lacs to the cost of capital work in progress with corresponding charge to retained earnings.

39.12 Expected Credit Loss Model for Trade Receivables:

Ind AS 109 requires adjustment for expected credit loss while making provision for doubtful debts. No such adjustment was required under the previous GAAP. Accordingly, trade receivables and retained earnings decreased by ₹ 244.85 lacs on transition date and by an additional amount of ₹ 22.82 lacs during year ended 31 March 2016. Provision for expected credit losses stood at ₹ 267.67 lacs as on 31 March 2016.

39.13 Channel Finance Assurance Facility with recourse for Trade Receivables:

As per Ind AS, trade receivables is derecognised only when the company has transferred the rights to receive cash flows, or when it has transferred substantially all the risks and rewards of the asset, or when it has transferred the control of the asset. As such, receivables should not be de-recognised to the extent of recourse in case of Channel Finance Assurance Facility. Accordingly, trade receivables to the extent of recourse amounting to ₹ 3119.69 lacs was not de-recognised from trade receivables with corresponding recognition of short term borrowings as on 31 March 2016.

39.14 Expected Cash Discounts:

As per Ind AS, revenue shall be measured at the fair value of the consideration received or receivable. Fair Value is to be adjusted for trade discounts and volume rebates allowed by the entity. The discount and the expected cash flows should be estimated at the time of sale and the expected discount should be recognised as a reduction of revenue. As such, provision for Expected Cash Discounts of ₹ 285.22 lacs has been recognised on transition date with corresponding charge to retained earnings. During the year ended 31 March 2016, provision has been increased by ₹ 15.28 lacs by netting off with Gross revenue. As such closing provision for expected cash discounts as on 31 March 2016 stood at ₹ 300.50 lacs.

39.15 Mark to Market (MTM) Valuation of Derivative Contracts:

Ind AS 109 requires all derivatives to be measured at fair value and recognize any changes in fair value on the reporting date in profit and loss account unless they are designated in a qualifying hedge relationship. Under previous GAAP, derivatives were not measured at fair value. Mark to Market (MTM) gain/(loss) shall be recognised in Profit and Loss account with a corresponding derivative asset/liability at each reporting date. The company has hedged its liability in foreign currency by entering into forward contracts and interest rate on its foreign currency long term borrowings by entering into Interest rate swap (IRS). Under Ind AS, MTM has been recognised on both of these derivative contracts. As such, MTM gain of ₹ 81.40 lacs has been recognised on transition date, with corresponding credit to retained earnings. During the year ended 31 March 2016, MTM loss of ₹ 83.83 lacs has been recognised in profit and loss account, with corresponding credit to derivative liability.

39.16 Actuarial gain/(loss) on Defined Benefit plans for Employee Benefits:

Under Ind AS, the change in defined benefit liability is split into changes arising out of service and interest cost and changes arising out of remeasurements. Changes due to service and interest cost are to be recognised in Profit and Loss account and the changes arising out of re-measurements are to be recognised directly in Other Comprehensive Income (OCI). As such, actuarial loss on valuation of Gratuity and Leave salary of ₹ 92.55 lacs as on transition date has been recognised in OCI with corresponding credit to retained earnings. Actuarial loss for the year ended 31 March 2016 is ₹ 230.89 lacs has been recognised in OCI instead of Employee benefit expenses.

39.17 Expenses pertaining to Scheme of Arrangement:

Under previous GAAP, expenses relating to the scheme of arrangement were been written off in five equal annual installments. Ind AS requires that costs incurred to effect a business combination are to be recognised as acquisition-related costs and be expensed in the period in which the costs are incurred. Accordingly, unamortised expenses towards scheme of arrangement as on the transition date of ₹ 80.74 lacs have been charged to retained earnings. Further out of such expenses incurred during year ended 31 March 2016, a sum of ₹ 55.47 lacs (net of amount already written off and reversal of adjustment as on transition date) has been charged to profit and loss account.

39.18 Sales Incentives to Dealers:

Under Ind AS, Incentives offered to Customers in any form shall be netted off from revenue and shall not be shown as Sales promotion expenses. However, incentives offered to persons other than customers shall continue to be shown as sales promotion expenses. As such, incentives offered to customers amounting to ₹ 427.36 lacs during the year ended 31 March 2016 has been netted off from revenue and reduced from sales promotion expenses. Under previous GAAP, all such incentives were shown as Sales promotion expenses.

39.19 Deferred Tax:

As per Ind AS, Deferred tax is provided using the balance sheet approach on temporary

Notes on Consolidated Financial Statements for the year ended March 31, 2017

differences at the reporting date. On transition date, certain adjustments were made by charge/credit to profit and loss account. The tax effect of such adjustments resulting into deferred tax asset of ₹ 331.30 lacs has been recognised by credit to retained earnings. During the year ended 31 March 2016, deferred tax expense has been increased by ₹ 152.11 lacs - out of which a sum of ₹ 79.91 lacs has been credited to other comprehensive income and balance ₹ 72.20 lacs to profit and loss account.

Under Ind AS, unused MAT tax credits are considered as a part of deferred tax and need to be presented accordingly. As such, MAT credit entitlement of ₹ 4095.40 lacs on the transition date has been deducted from Deferred Tax liability. During the year ended 31 March 2016, MAT credit entitlement of ₹ 629.70 lacs was utilised by which amount the Deferred Tax liability has been readjusted.

39.20 Capitalisation of Foreign Exchange Differences:

Under previous GAAP, pursuant to Para 46A of AS 11, foreign exchange differences on foreign currency long term borrowings were capitalised along with the cost of Property, Plant and Equipment. Under Ind AS, capitalisation of foreign exchange differences is not permitted and same shall be charged to profit and loss account. However, Ind AS 101 permits grand fathering of capitalization of foreign exchange differences for long term borrowings taken till 31 March 2016. As such, the company has availed the option available under Ind AS 101.

39.21 Fair Valuation of Loans and Advances:

Under Ind AS, fair valuation is required for in case of loans and advances such as advance to employees, Capital advances and security deposits. In case of advance to employees, company has charged interest @ 10.30% p.a. and as such no fair valuation is required. In case of capital advances, fair valuation is not required as the advances are non-refundable and shall only be adjusted against supply of fixed assets. Security deposits are paid for rental property, electricity and maintenance. Deposits for electricity supply earn a reasonable interest of approximately 6% p.a. and as such no fair valuation is required. Deposits for offices and warehouses taken on rent are usually short term lease contracts expiring within a year, and as such no fair valuation is required. Hence, all such loans and advances are carried at transaction value.

Notes on Consolidated Financial Statements for the year ended March 31, 2017

39.22 Reconciliation of Equity as on Transition Date 1st April 2015 as per IND AS

(₹ in Lacs)

	Previous GAAP	Adjustments	Ind AS
ASSETS			
Non-current Assets			
Property, Plant and Equipment	53005.67	(1526.13)	51479.54
Capital Work-in-Progress	1390.70	-	1390.70
Other Intangible Assets	298.22	-	298.22
Financial Assets			
Investments	1697.88	24.83	1722.71
Loans	780.91	(26.01)	754.90
Other Non-current Assets	716.91	1849.71	2566.62
	57890.29	**322.40**	**58212.69**
Current Assets			
Inventories	19030.39	(28.60)	19001.79
Financial Assets			
Investments	1815.73	-	1815.73
Trade Receivables	25721.80	(244.85)	25476.95
Cash and Cash Equivalents	766.68	(4.16)	762.52
Bank Balances other than above	-	4.16	4.16
Loans	180.08	-	180.08
Other Current Assets	9518.60	(4457.62)	5060.98
	57033.28	**(4731.07)**	**52302.21**
TOTAL :	**114923.57**	**(4408.67)**	**110514.90**
EQUITY AND LIABILITIES			
Equity:			
Equity Share Capital	1206.82	-	1206.82
Other Equity	47425.92	894.51	48320.43
	48632.74	**894.51**	**49527.25**
Liabilities:			
Non-current Liabilities			
Financial Liabilities			
Borrowings	12660.74	(81.52)	12579.22
Other Financial Liabilities	1063.18	(36.66)	1026.52
Provisions	1565.92	(241.00)	1324.92
Deferred Tax Liabilities (Net)	4030.33	(4426.70)	(396.37)
	19320.17	**(4785.88)**	**14534.29**
Current Liabilities			
Financial Liabilities			
Borrowings	13167.69	(280.56)	12887.13
Trade Payables	22494.53	247.04	22741.57
Other Financial Liabilities	7374.62	(90.62)	7284.00
Other Current Liabilities	2598.24	545.66	3143.90
Provisions	1169.11	(938.82)	230.29
Current Tax Liabilities (Net)	166.47	-	166.47
	46970.66	**(517.30)**	**46453.36**
TOTAL :	**114923.57**	**(4408.67)**	**110514.90**

Notes on Consolidated Financial Statements for the year ended March 31, 2017

39.23 Reconciliation of Equity as on 31st March 2016 as per IND AS

(₹ in Lacs)

	Previous GAAP	Adjustments	Ind AS
ASSETS			
Non-current Assets			
Property, Plant and Equipment	55407.75	(1478.84)	53928.91
Capital Work-in-Progress	907.72	22.28	930.00
Other Intangible Assets	280.94	-	280.94
Financial Assets			
Investments	2868.56	0.21	2868.77
Loans	914.66	(26.01)	888.65
Other Non-current Assets	1454.71	1659.26	3113.97
	61834.34	**176.90**	**62011.24**
Current Assets			
Inventories	13901.78	(7.84)	13893.94
Financial Assets			
Investments	-	-	-
Trade Receivables	30398.15	2852.01	33250.16
Cash and Cash Equivalents	3500.33	(4.23)	3496.10
Bank Balances other than above	-	4.23	4.23
Loans	709.15	-	709.15
Other Current Assets	10384.65	(3736.20)	6648.45
	58894.06	**(892.03)**	**58002.03**
TOTAL :	**120728.40**	**(715.13)**	**120013.27**
EQUITY AND LIABILITIES			
Equity:			
Equity Share Capital	1206.82	-	1206.82
Other Equity	59323.60	899.95	60223.55
	60530.42	**899.95**	**61430.37**
Liabilities:			
Non-current Liabilities			
Financial Liabilities			
Borrowings	12150.66	(25.37)	12125.29
Other Financial Liabilities	1284.39	(135.56)	1148.83
Provisions	1763.61	-	1763.61
Deferred Tax Liabilities (Net)	3920.66	(3949.11)	(28.45)
	19119.32	**(4110.04)**	**15009.28**
Current Liabilities			
Financial Liabilities			
Borrowings	7175.60	2987.83	10163.43
Trade Payables	24911.46	(5.07)	24906.39
Other Financial Liabilities	4798.37	(56.15)	4742.22
Other Current Liabilities	2935.65	439.85	3375.50
Provisions	1201.75	(871.50)	330.25
Current Tax Liabilities (Net)	55.83	-	55.83
	41078.66	**2494.96**	**43573.62**
TOTAL :	**120728.40**	**(715.13)**	**120013.27**

39.24 Reconciliation of Profit and Loss for the Year Ended 31st March 2016 as per IND AS

(₹ in Lacs)

	Previous GAAP	Adjustments	Ind AS
INCOME:			
Sale of Products	165570.93	5740.08	171311.01
Other Operating Revenue	76.74	-	76.74
Revenue from Operations	165647.67	5740.08	171387.75
Share of Profit from Joint Venture	119.35	-	119.35
Other Income	446.51	550.25	996.76
Total Revenue	**166213.53**	**6290.33**	**172503.86**
EXPENDITURE:			
Cost of Materials Consumed	70149.64	-	70149.64
Purchase of Stock in Trade	20381.91	-	20381.91
Changes in Inventories of Finished Goods, Stock in Process and Stock in Trade	1499.01	(20.76)	1478.25
Excise Duty Expense	-	6776.51	6776.51
Employees Benefits Expense	16966.18	(230.90)	16735.28
Finance Costs	2874.29	64.49	2938.78
Depreciation and Amortisation Expense	5003.08	(34.68)	4968.40
Other Expenses	32356.38	(249.66)	32106.72
Total Expenditure	**149230.49**	**6305.00**	**155535.49**
Profit before Tax	16983.04	(14.67)	16968.37
Current Tax	(3693.83)	-	(3693.83)
Mat Credit Entitlement	(629.70)	-	(629.70)
	(4323.53)	-	(4323.53)
Release of Deferred Tax	109.67	72.20	181.87
Tax Expense	**(4213.86)**	**72.20**	**(4141.66)**
Profit for the Year	**12769.18**	**57.53**	**12826.71**
Other Comprehensive Income			
Items that may be reclassified to profit or loss:			
Exchange Differences on Consolidation	-	98.90	98.90
Items that will not be reclassified to profit or loss:			
Remeasurement gain/(loss) on defined benefit plans	-	(230.89)	(230.89)
Release of Deferred Tax	-	79.91	79.91
Other Comprehensive Income, net of tax	**-**	**(52.08)**	**(52.08)**
Total Comprehensive Income for the year, net of Tax	**12769.18**	**5.45**	**12774.63**

39.25 Reconciliation of Equity and Net Profit on Transition to IND AS

(₹ in Lacs)

Particulars	Equity on 01.04.2015	Equity on 31.03.2016	Profit for year 2015-16
Shareholders Funds and Net Profit after tax as per previous GAAP	**48632.74**	**60530.42**	**12769.18**
Recognition of Depreciation on Leasehold Land	(16.38)	-	16.38
Gain/(Loss) on Fair Valuation of Quoted Investments	24.83	0.22	(24.61)
Gain/(Loss) on Fair Valuation of Biological Assets	3.87	-	(3.87)
Recognition of MTM of Forward and IRS Contracts	81.40	(2.43)	(83.83)
Recognition of Provision for Expected Cash Discounts	(285.22)	(300.50)	(15.28)
Recognition of Provision for Expected Credit Losses	(244.85)	(267.67)	(22.82)
Derecognition of Unamortised Expenses	(80.74)	(136.21)	(55.47)
Recognition of Prepaid Processing Fees	172.14	81.52	(90.62)
Capitalisation of Finance Cost to PPE	-	26.52	26.52
Derecognition of Administrative Expenses from PPE	-	8.03	8.03
Derecognition of Proposed Dividend and Tax on Dividend	871.50	871.50	-
Reclassification of Actuarial loss on Defined Benefit plans	92.55	323.44	230.89
Deferred Tax impact of Ind AS adjustments	331.30	403.51	72.21
Net Impact of Ind AS adjustments in Reserves and Surplus	**950.40**	**1007.93**	**57.53**
Reclassification of Actuarial loss on Defined Benefit plans	(92.55)	(323.44)	(230.89)
Exchange Differences on Consolidation	36.66	135.56	98.90
Deferred Tax impact of Ind AS adjustments	-	79.90	79.90
Net Impact of Ind AS adjustments in OCI	**(55.89)**	**(107.98)**	**(52.08)**
Net Impact of Ind AS adjustments in Reserves and Surplus	**894.51**	**899.95**	**5.45**
Shareholders Funds and Net Profit after tax as per Ind AS	**49527.25**	**61430.37**	**12774.63**

Notes on Consolidated Financial Statements for the year ended March 31, 2017

40. CONTINGENT LIABILITIES AND COMMITMENTS

40.1 Contingent liabilities

40.1.1 Pending Litigations:

a. Excise Duty, Sales Taxes and other Indirect Taxes claims disputed by the Company relating to issues of applicability and determination aggregating ₹ 2786.14 lacs (Previous year ₹ 7690.17 lacs), excluding interest which cannot be determined at this stage.

b. Claims against the Company not acknowledged as debts ₹ 85.64 lacs (Previous year ₹ 83.94 lacs)

Notes:

i) Based on the discussion with the solicitors/favourable decisions in similar cases/legal opinion taken by the Company, the management believes that the Company has a good chance of success in above mentioned cases and hence, no provision there against is considered necessary.

ii) The company does not expect any reimbursements in respect of the above contingent liabilities.

iii) Future cash outflows in respect of the above are determinable only on receipt of judgements/decisions pending with various forums/authorities.

40.1.2 Others:

a. Letter of credit established but material not received amounting to ₹ 463.41 lacs (Previous year ₹ 1117.21 lacs).

b. Guarantee given to a Bank in respect of loan to a joint venture company in which the Company's wholly owned subsidiary is a joint owner USD 30 lacs (Previous Year USD 15 lacs) equivalent to ₹ 1950.68 lacs (Previous Year ₹ 993.71 lacs), translated at year-end exchange rate.

c. (i) In respect of capital goods imported for the Pantnagar unit, at the concessional rate of duty under the Export Promotion Capital Goods Scheme, the Company has an export obligation of approximately ₹ 7703.32 lacs (previous year ₹ 9483.45 lacs), which is required to be met at different dates, before 10.04.2019 (previous year 10.04.2019). In the event of non-fulfillment of the export obligation, the Company will be liable to pay customs duties of approximately ₹ 962.91 lacs (Previous Year ₹ 1185.43 lacs) together with interest, as applicable. The Company has discharged export obligation amounting to ₹ 1780.13 lacs (Previous Year ₹ 97.35 lacs) during the year ended 31st March 2017.

c. (ii) In respect of capital goods imported for the Chittor unit, at the concessional rate of duty under the Export Promotion Capital Goods Scheme, the Company has an export obligation of approximately ₹ 21757.22 lacs (previous year ₹ Nil), which is required to be met at different dates, before 16.03.2023 (previous year Nil). In the event of non-fulfillment of the export obligation, the Company will be liable to pay customs duties of approximately ₹ 3626.21 lacs (Previous Year ₹ Nil) together with interest, as applicable.

40.2 Commitments

a. Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) ₹ 23716.26 lacs (Previous year ₹ 31404.41 lacs).

b. Uncalled liability on shares and other investments which are partly paid ₹ Nil (Previous year ₹ Nil).

c. Other commitments ₹ Nil (Previous year ₹ Nil).

Notes on Consolidated Financial Statements for the year ended March 31, 2017

41. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATION

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 a forced or liquidated sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, working capital loans from banks approximate their carrying amounts largely due to the short term maturities of these instruments.

Financial instruments other than above are carried at amortised cost except certain assets which are carried at fair value.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techinque:

Level 1 : Quoted prices in active markets for identical assets or liabilities

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable.

Level 3 : Techinques using inputs having significant effect on the recorded fair value that are not based on observable market data.

₹ in Lacs

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Financial assets at amortised cost:			
Investments - Non-current	2610.70	2867.74	1688.92
Loans - Non-current	1053.65	888.65	754.90
Investments - Current	-	-	1815.73
Trade Receivables	30200.93	33250.16	25476.95
Cash and Cash Equivalents	7805.24	3496.10	762.52
Bank Balances other than above	4.22	4.23	4.16
Loans - Current	333.37	709.15	180.08
Total	**42008.11**	**41216.03**	**30683.26**
Financial assets at fair value through profit and loss:			
Investments - Non-current - Level 1	0.91	1.03	33.79
Total Financial Assets	**42009.02**	**41217.06**	**30717.05**
Financial liabilities at amortised cost:			
Borrowings - Non-current	26584.90	12125.29	12579.22
Trade Payables - Non-current	1762.94	-	-
Other Financial Liabilities - Non-current	1117.89	1148.83	1026.52
Borrowings - Current	7895.19	10163.43	12887.13
Other Financial Liabilities - Current	5300.45	4742.22	7284.00
Trade Payables - Current	29945.32	24906.39	22741.57
Total	**72606.69**	**53086.16**	**56518.44**

Notes on Consolidated Financial Statements for the year ended March 31, 2017

42. FINANCIAL RISK MANAGEMENT

The Company's financial risk management is an integral part of planning and executing its business strategies. The Company's financial risk management policy is planned, approved and reviewed by the Board of Directors. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

42.1 MARKET RISK

Market Risk is the risk of loss of future earnings, fair values 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 exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables, and loans and borrowings.

The company manages market risk through the corporate finance department, which evaluates and exercises independent control over the entire process of market risk management. The corporate finance department recommends risk management objectives and policies, which are approved by Board of Directors. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

42.2 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. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, corporate finance department performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio. The Company has availed foreign currency borrowings with floating interest rates. With a view to minimise the fluctuation in floating interest rate, the Company has entered into Interest Rate swaps to convert the floating rate loans into fixed rate loans.

Interest Rate Swap:	
Notional amount USD 20 lacs ₹ 1300.45 lacs (Previous year Nil)	Hedge against exposure to variable interest outflow on loans. Swap to pay fixed interest @ 2.20 % p.a. (in USD) and receive a variable interest @ 3 month USD-LIBOR on outstanding notional amount.
Notional amount USD 13.80 lacs ₹ 897.31 lacs (Previous year USD 27 lacs ₹ 1788.68 lacs)	Hedge against exposure to variable interest outflow on loans. Swap to pay fixed interest @ 1.09 % p.a. (in USD) and receive a variable interest @ 3 month USD-LIBOR on outstanding notional amount.
Notional amount EURO 19.65 lacs ₹ 1361.89 lacs (Previous year EURO 39.3 lacs ₹ 2963.57 lacs)	Hedge against exposure to variable interest outflow on loans. Swap to pay fixed interest @ 1.06 % p.a. (in EURO) and receive a variable interest @ 6 month EURIBOR on outstanding notional amount.

42.3 FOREIGN CURRENCY RISK

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies. The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies, including the use of derivatives like foreign currency forward contracts to hedge exposure to foreign currency risk.

Notes on Consolidated Financial Statements for the year ended March 31, 2017

	Currency	As at 31st March, 2017		As at 31st March, 2016	
		Foreign Currency	₹ in Lacs	Foreign Currency	₹ in Lacs
Forward Contract outstanding:					
Purchase (Hedging of Buyers Credit)	EURO	169657	117.60	740863	565.05
	USD	3826816	2488.29	5651840	3737.88
Total			**2605.89**		**4302.93**
Purchase (Hedging of Trade Payables)	EURO	-	-	198430	149.65
	USD	-	-	150723	99.85
Total			**-**		**249.50**
Unhedged Foreign Currency Exposures:					
Foreign Currency Term Loans	EURO	27666559	19176.80	3929616	2963.57
	USD	3380000	2197.76	2700000	1788.68
Total			**21374.56**		**4752.25**
Working Capital Loans	USD	1427765	928.37	700000	463.73
Deferred Payment Liabilities	USD	1565010	1017.61	1035605	686.06
Total			**1945.98**		**1149.79**
Trade Payables	EURO	349774	242.44	201555	152.01
	USD	3023558	1965.99	209930	139.07
	GBP	35785	28.92	12128	11.53
	AED	-	-	6165	1.11
	CHF	-	-	1426	0.98
	CNY	-	-	16355	1.29
	NZD	-	-	4638	2.12
	SGD	2197	1.02	29113	14.27
	JPY	2541000	14.93	-	-
Total			**2253.30**		**322.38**
Advance to Vendors	EURO	11147540	7726.80	1713432	1292.21
	USD	3482239	2264.24	1898579	1257.76
	CHF	1429	0.93	15000	1.18
	AED	-	-	21000	3.79
	GBP	4365	3.53	-	-
	CNY	230	0.02	-	-
Total			**9995.52**		**2554.94**
Trade Receivables	USD	153590	99.87	34079	22.07
Total			**99.87**		**22.07**

42.4 Credit Risk

Credit Risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probablity of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. Trade Receivables are impaired using the Life time Expected Credit Losses (ECL) Model. The company uses a provision matrix to determine the impairment loss allowance based on its historically observed default rates over expected life of trade receivables and is adjusted for forward looking estimates.

Financial Assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The company categorises a loan or receivable for write off when a debtor fails to make contractual payments in normal course of business. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in statement of profit and loss.

Notes on Consolidated Financial Statements for the year ended March 31, 2017

Financial assets where Life time Expected Credit Losses (ECL) is used:

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016
Trade Receivables (Gross of Provisions)	30814.03	33632.60
Less : Provision for Doubtful Receivables	613.10	382.44
Trade Receivables (Net of Provisions)	**30200.93**	**33250.16**

42.5 Liquidity Risk

Liquidity Risk is the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's corporate finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are reviewed by the Board of Directors. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Financial Liabilities as reported in the Balance Sheet are segregated into current and non-current. Non-current financial liabilities have a maturity period of more than one year, whereas the current financial liabilities have maturities within one year.

42.6 Capital Management

For the purposes of Company's Capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. The company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016
Total Debt	39697.72	27000.32
Total Equity	77266.15	61430.37
Capital and Net Debt	**116963.87**	**88430.69**
Gearing Ratio	**33.94%**	**30.53%**

43. FLUCTUATION IN LONG TERM FOREIGN CURRENCY MONETARY ITEMS

The Company has exercised the option available to it under Rule 46A of the Companies (Accounting Standards) (Second Amendment) Rules, 2011 in respect of accounting for fluctuations in foreign exchange relating to 'Long Term Foreign Currency Monetary Items' availed upto 31 March 2016. Accordingly, it has adjusted a gain of ₹ 172.08 lacs (Previous year loss of ₹ 542.92 lacs) during the year to the cost of its fixed assets on account of such difference arising during the current year and has provided for depreciation thereon over the balance useful life of the respective assets. Consequently, the charge to the Statement of Profit and Loss is effected to that extent.

44. LEASES

The company has taken certain vehicles under non-cancelable operating lease arrangements. The future minimum lease payments in respect of such non-cancelable leases as at 31st March, 2017 are summarized below:

₹ in Lacs

	As at 31st March, 2017	As at 31st March, 2016
Amount due within one year	159.29	166.36
Amount due between one year and five years	329.67	386.06
Amount due above five years	-	-
Total	**488.96**	**552.42**

Notes on Consolidated Financial Statements for the year ended March 31, 2017

45. INFORMATION REGARDING MICRO, SMALL AND MEDIUM ENTERPRISES

Based on the information /documents available with the Company, information as per the requirements of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 are as under:

₹ in Lacs

		As at 31st March, 2017	As at 31st March, 2016
i)	Principal amount remaining unpaid to any supplier at the end of accounting year (including retention money against performance).	3.78	12.72
ii)	Interest due on above	-	-
Total of (i) and (ii)		**3.78**	**12.72**
iii)	Amount of interest paid by the Company to the suppliers in terms of section 16 of the Act.	-	-
iv)	Amount paid to the suppliers beyond due date during the year	-	-
v)	Amount of interest due and payable for the period of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	-	-
vi)	Amount of interest accrued and remaining unpaid at the end of accounting year	-	-
vii)	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 this Act.	-	-

46. INFORMATION REGARDING SPECIFIED BANK NOTES (SBN):

(Pertaining to the Indian Companies only)

₹ in Lacs

	Specified Bank Notes	Other Bank Notes	Total
Closing cash in hand as on 8 November 2016	41.28	39.48	80.76
(+) Permitted receipts	-	143.62	143.62
(-) Permitted payments	-	134.46	134.46
(-) Amount deposited in banks	41.28	-	41.28
Closing cash in hand as on 30 December 2016	**-**	**48.64**	**48.64**

47. Company's Plywood unit located at Pantnagar (Uttarakhand) was exempt from levy of Central Excise Duty upto 1 May 2016. Company's MDF unit located at Pantnagar (Uttarakhand) is exempt from levy of Central Excise Duty. Company's Plywood unit located at Tizit (Nalagand) is entitled to partial refund of Central Excise Duty.

Notes on Consolidated Financial Statements for the year ended March 31, 2017

48. Balances under Trade receivables, Trade Payables, Loans and Advances payable or receivable are subject to confirmation to be received from some of the parties.

49. During the year, Greenply Holdings Pte. Ltd. and Greenply Middle East Ltd. were incorporated on 22 June 2016 and on 4 July 2016 respectively and their financial statements for the period since the dates of their incorporation till 31 March 2017 have been consolidated. To this extent, the figures for the current year are not comparable with that of the previous year.

50. 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 annexed report of even date.

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

(Naveen Kumar Dhandaria)
Partner
Membership No. 061127

Place of Signature : Kolkata
Dated : May 29, 2017

Shiv Prakash Mittal
Executive Chairman
(DIN : 00237242)

Susil Kumar Pal
Director
(DIN : 00268527)

Rajesh Mittal
Managing Director
(DIN : 00240900)

V. Venkatramani
Chief Financial Officer

Kaushal Kumar Agarwal
Company Secretary & VP - Legal

Corporate Information

BOARD OF DIRECTORS
Mr. Shiv Prakash Mittal, Executive Chairman
Mr. Rajesh Mittal, Managing Director
Mr. Shobhan Mittal, Joint Managing Director & CEO
Mr. Moina Yometh Konyak
Mr. Susil Kumar Pal
Mr. Vinod Kumar Kothari
Mr. Anupam Kumar Mukerji
Ms. Sonali Bhagwati Dalal
Mr. Upendra Nath Challu

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

STAKEHOLDERS RELATIONSHIP COMMITTEE
Mr. Anupam Kumar Mukerji, Chairman
Mr. Susil Kumar Pal
Mr. Rajesh Mittal
Mr. Shobhan Mittal

NOMINATION & REMUNERATION COMMITTEE
Mr. Susil Kumar Pal, Chairman
Mr. Anupam Kumar Mukerji
Mr. Vinod Kumar Kothari
Mr. Shiv Prakash Mittal

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE
Mr. Vinod Kumar Kothari
Mr. Upendra Nath Challu
Mr. Rajesh Mittal
Mr. Shobhan Mittal

OPERATIONAL COMMITTEE
Mr. Shiv Prakash Mittal
Mr. Rajesh Mittal
Mr. Shobhan Mittal
Mr. Susil Kumar Pal
Mr. Vinod Kumar Kothari

CHIEF FINANCIAL OFFICER
Mr. Vishwanathan Venkatramani

CHIEF INVESTOR RELATIONS OFFICER
Mr. Vishwanathan Venkatramani, CFO

COMPANY SECRETARY & VICE PRESIDENT-LEGAL
Mr. Kaushal Kumar Agarwal

BANKERS/FINANCIAL INSTITUTIONS
Axis Bank Ltd.
Citi Bank, N.A.
DBS Bank Ltd.
HDFC Bank Ltd.
IDBI Bank Ltd.
Landesbank Baden-Wurttemberg
Standard Chartered Bank
State Bank of India
Yes Bank Ltd.

STATUTORY AUDITORS
M/s. D. Dhandaria & Company
Thana Road, P.O. Tinsukia, Assam -786 125

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

REGISTERED OFFICE
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Assam - 786 125
CIN: L20211AS1990PLC003484

CORPORATE OFFICE
"Madgul Lounge"
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23 Chetla Central Road
Kolkata - 700 027, India
Phone: (033) 3051 5000
Fax: (033) 3051 5010
Email: kolkata@greenply.com
Website: www.greenply.com

UNITS
Plywood and allied products
- Tizit, Nagaland
- Kriparampur,West Bengal
- Bamanbore, Gujarat

Plywood and reconstituted veneers
- Pantnagar, Uttarakhand

Medium density fibreboard & Wood Floors
- Pantnagar, Uttarakhand

Greenply Industries Limited

CIN: L20211AS1990PLC003484

www.greenply.com

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