Greenlam/2018-19
September 04, 2018

The Manager,
BSE Limited
Department of Corporate Services
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Mumbai - 400 001
Fax No. 022-2272-3121/1278/1557/3354
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BSE Scrip Code: **538979**

The Manager,
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Mumbai - 400 051
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NSE Symbol: **GREENLAM**

Sub: Annual Report for the Financial Year 2017-18

Dear Sir/ Madam,

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are forwarding herewith a copy of Annual Report of the Company for the financial year 2017-18 duly approved and adopted by the Members of the Company, at the 5th Annual General Meeting of the Company held on August 28, 2018 at the Registered Office of the Company at Makum Road, Tinsukia, Assam-786125.

This is for your information and records.

Thanking You,
Yours faithfully,
For **GREENLAM INDUSTRIES LIMITED**

GREENLAM INDUSTRIES LIMITED NEW DELHI

PRAKASH KUMAR BISWAL
COMPANY SECRETARY &
VICE PRESIDENT - LEGAL

Encl: As above.

Greenlam Industries Limited
1501 - 1505, Narain Manzil,
23, Barakhamba Road,
New Delhi - 110001, India

Tel : +91-011-42791399
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Registered Office :
Makum Road, PB No. 14,
Tinsukia, Assam - 786125.
Corporate Identity Number :
L21016AS2013PLC011624

Greenlam Industries Limited

profiting from discipline

DISCIPLINE

digitisation

innovation

benchmarking

planning

budgeting

excellence

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At Greenlam Industries, we believe that sustainable success is derived from the ability to profit from discipline.

The discipline of selecting to work around the long-term over fleeting arbitrage opportunities.

The discipline of asking 'Will it be good for my customer?' when confronted with diverse choice.

The discipline of trusting standard operating protocols over intuition.

The discipline of replacing the routine manual with automation.

The discipline of focusing on cash flows over profits.

Discipline is the difference.

Corporate Information



Ms. Urvashi Saxena, Mr. Vijay Kumar Chopra, Mr. Saurabh Mittal, Ms. Parul Mittal, Ms. Sonali Bhagwati Dalal and Mr. Shiv Prakash Mittal

(Standing left to right)

Board of Directors

Mr. Shiv Prakash Mittal
Non-Executive Chairman

Mr. Saurabh Mittal,
Managing Director & CEO

Ms. Parul Mittal
Whole-time Director

Mr. Vijay Kumar Chopra
Independent Director

Ms. Urvashi Saxena
Independent Director

Ms. Sonali Bhagwati Dalal
Independent Director

Audit Committee

Mr. Vijay Kumar Chopra, *Chairman*
Ms. Urvashi Saxena
Ms. Sonali Bhagwati Dalal
Mr. Saurabh Mittal

Nomination & Remuneration Committee

Mr. Vijay Kumar Chopra, *Chairman*
Mr. Shiv Prakash Mittal
Ms. Urvashi Saxena

Stakeholders' Relationship Committee

Mr. Shiv Prakash Mittal, *Chairman*
Mr. Saurabh Mittal

Corporate Social Responsibility Committee

Mr. Saurabh Mittal, *Chairman*
Mr. Shiv Prakash Mittal
Ms. Parul Mittal
Ms. Sonali Bhagwati Dalal

Operational & Finance Committee

Mr. Shiv Prakash Mittal
Mr. Saurabh Mittal
Ms. Parul Mittal

Corporate Office

1501-05, Narain Manzil,
23, Barakhamba Road,
New Delhi-110001, India.
Phone No.: +91 11 42791399,
Fax No.: +91 11 42791330
Email: investor.relations@greenlam.com
Website: www.greenlamindustries.com

Chief Financial Officer

Mr. Ashok Kumar Sharma

Company Secretary

Mr. Prakash Kumar Biswal

Statutory Auditors

M/s. D. Dhandaria & Company
Thana Road, P.O. Tinsukia,
Assam -786125

Bankers/Financial Institutions

IDBI Bank Limited
HDFC Bank Limited
ICICI Bank Limited
IDFC Bank Limited
Citibank, NA.
Standard Chartered Bank
The Hongkong and Shanghai Banking Corporation Limited

Registered Office

Makum Road, Tinsukia,
Assam - 786 125
CIN: L21016AS2013PLC011624

Manufacturing Facilities

Behror, Rajasthan
Nalagarh, Himachal Pradesh

Registrar & Share Transfer Agent

Link Intime India Private Limited
44, Community Centre, 2nd floor
Naraina Industrial Area, Phase-1
Near PVR Naraina,
New Delhi-110028
Phone No.: +91 11 41410592
Fax No.: +91 11 41410591

10 things you need to know about Greenlam Industries Limited

01
Pedigree

Greenlam Industries Limited is a premier laminates, decorative veneer and allied products manufacturer. The company brings a multi-decade experience to the table. Since its inception, Greenlam has led the industry in innovation, product design, product portfolio and branding.

02
Management

Greenlam is helmed by Mr. Saurabh Mittal who possesses more than two decades of experience in the laminates business. The senior management of the company possesses extensive sectoral experience across the manufacturing, marketing, branding, distribution and finance functions.

03
Products

Greenlam provides an entire range of interior decorative surfacing products, proving a one-stop customer solution. The company's portfolio comprises decorative laminates catering to various product & price segment, compact panels, exterior and interior cladding solutions, restroom cubicle & locker solutions, decorative veneers, engineered wooden flooring and engineered wooden door sets.

04
Pioneering

Innovation is the heart of our existence which keeps Greenlam ahead of the rest. The Company is consistently innovating its product range to bring the best of global trends and technology to all our consumers. Specialty products such as AFX, DIGITAL, HD GLOSS & VRB laminates, Herringbone, Distressed and UV plus range of veneers showcase Greenlam's commitment to create uniquely stylish products.

05
Listing

Greenlam is listed on the BSE Limited and National Stock Exchange of India Ltd., enjoying a market capitalisation of ₹2,891.05 crore as on March 31, 2018 (making it one of the Top 500 companies listed on National Stock Exchange).

06
Standing

The Company is the largest laminates producer in Asia and among the three largest in the world. The company is also India's largest exporter of laminates. It is India's number one decorative veneer brand, India's only manufacturer of engineered wooden flooring and India's first organized manufacturer of engineered wooden door sets.

07
Footprint

In India, Greenlam products are marketed through 12 Large regional distribution centres, 22 Branch offices, 5 warehouses and 14000+ distributors and retailers, which is largest in the industry.

08
Locations

Greenlam has two state-of-the-art manufacturing facilities located at Behror in Rajasthan and Nalagarh in Himachal Pradesh. Behror plant has a capacity of 5.34 million laminate sheets and Nalagarh plant has a capacity of 8.68 million laminate sheets. The Behror plant also manufactures melamine faced chip boards, decorative veneers, engineered wooden flooring and engineered wooden doors.

09
Certifications

Greenlam is engaged in responsible and eco-friendly manufacturing practices that enhance workplace safety and compliance with government regulations. This commitment has been showcased in certifications like, FSC, PEFC, ISO 14001 and OHSAS 18001. Additionally, the Company also has product specific certifications such as ISO 9001, NSF, Greenlabel, Greenguard, the NEMA standard in US and BS standard in the UK.

10
Brands

Greenlam's success is driven around the success of its brands, a number of which lead the market segments of their presence. The company's prominent brands comprise:

- Greenlam and New Mika (laminates & compact laminates)
- Greenlam Clads (interior and exterior cladding panels)
- Greenlam Sturdo (restroom cubicle and locker solutions)
- Decowood (decorative veneers)
- Mikasa (engineered wooden flooring and engineered wooden doors)

This is what we achieved in 2017-18
(on a consolidated basis)

Overall financial

- Consolidated Net Revenue stood at ₹1,145 Crores as compared to ₹1,076 Crores in the financial year 2016-17, growing by 6.4% YoY; GST adjusted revenue growth was 8.8%
- Consolidated EBIDTA grew by 7.6% to ₹148.9 crores in comparison to ₹138.3 crores in the financial year 2016-17
- Consolidated PAT for the financial year 2017-18, grew by 30.1% to ₹64.6 crores, as against ₹49.7 crores in the previous year
- Lower operating losses in the engineered wooden flooring and engineered wooden door sets business which stood at ₹7.96 crores against ₹14.5 crores in the previous year.

Product performance

- Domestic laminate revenue grew by 10.8% in volume terms and 14.9% in value terms as compared to the previous year. GST adjusted domestic laminate revenue growth was ~ 18.7%
- Laminate exports grew by 5.1% in volume terms but de-grew by 5.0% in value terms due to a currency appreciation of ~ 3.7%; there was a negative GST impact of ~1.7% on exports from July 2017 onwards
- Decorative veneer segment grew 16.4% in volume terms and 10.8% in value terms

Profitability

- Gross margin at 47.7% was an improvement of 40 bps in the financial year 2017-18 from 47.3% in the financial year 2016-17
- EBIDTA margin expanded by 10 bps from 12.9% in the financial year 2016-17 to 13.0% in the financial year 2017-18
- Working capital cycle reduced by 1 day to 86 days in the financial year 2017-18 from 87 days in the financial year 2016-17
- Total debt stood at ₹252 crores, reduced by ₹47 crores during the year

Key numbers, 2017-18

9.8%
Consolidated turnover CAGR (past five years)

54.74%
Promoters' holding, March 31, 2018

3.19%
FII/FPI holding, March 31, 2018

1743+
Team size, March 31, 2018

14000+
Trade partner network, March 31, 2018

our core values

TEAM WORK

WE ACHIEVE MORE BY COLLABORATION WITH ALL STAKEHOLDERS – INTERNAL AND EXTERNAL.

Given the inter-linkage of output of others with our performance, we nurture a sense of collaboration with our environment. Internally, if a peer fails, the team cannot succeed and individual success means little in a failed team. Also, our customers, partners and investors need to succeed.

TRUST

TRUST PEOPLE TO BE RELIABLE AND RESPONSIBLE AND EARN THEIR TRUST SIMILARLY.

Our dealings with the overall environment including individual employees, vendors, business partners, investors, customers and the society at large would be in the premise of good faith. We empower our employees by placing trust in them to take decisions in the best interest of the organization and as per promulgated norms.

SPEED AND AGILITY

WE ARE QUICK TO DECIDE, RESPOND AND EXECUTE.

We value decisions being made without undue procrastination and being implemented within the shortest possible time because we value this as a source of our competitive advantage. Individuals are therefore held accountable wherever any delays are attributable to them either in the decision making or implementation process. Similarly, we respond to the market proactively rather than reacting when situation reaches a point where inaction becomes unaffordable.

PERFORMANCE

WE VALUE PERFORMANCE ACROSS PRODUCTS, PEOPLE AND PROCESSES.

Performance is valued as the core ingredient for sustainability and is the underlying metric for selecting people, products or processes for the organization. For us, performance means delivering on our commitment across every parameter. It also entails effort and a continuing endeavour to defy the status quo in order to achieve all-round excellence.

LEARNING

WE ENCOURAGE LEARNING, CREATING AND NURTURING TALENT.

Our organization facilitates the learning of our employees and continuously transforms itself to align with the evolving needs of the marketplace. We also support formal learning through structured programs to empower people and help them unlock their potential.

What Greenlam brings to the market

Laminates and compact laminates

14.02 mn sheets a year of installed capacity (the largest in Asia)

Greenlam Laminates brings a legacy of exceptional artistry, unsurpassed quality and unyielding passion for excellence to the table. With a production capacity of 14.02 million sheets annually, we have always ensured that superior quality products are available to you. Our laminate collection are available in an array of designs, colours and textures for almost every surface, from table tops, doors, shelves and counters to reception desks and furniture and can be used both on a vertical and horizontal surface.

Products
Laminates: 10,000+ decors collection
Compact laminates: 100+ decors
Veneer laminates: 200+ natural veneer species



Melamine-faced chipboard

2.00 mn sq. m production capacity annually

Melamine Faced Chip Boards or MFC (Prelam Particle Board) are ideal products for interiors and furniture surfacing. Infused with superior screw-holding power and a smooth surface finish, Melamine Faced Chip Boards are crafted to add perfection and beauty with uses in commercial and residential sectors such as cabinets, shelves, partitions, office furniture, retail stores etc.

Products
34+ decors



Clads

Greenlam Clads are High Pressure Compact Panels which incorporate revolutionary GLE technology that makes them ideal for exterior application. They are resistant to weather, fading & fires and are used both in residential and commercial segment. The interior cladding systems are a fully integrated concept for protection of interior surfaces. Its Anti bacterial properties, impact and scratch resistance make them ideal for health care, education and commercial purposes.

Products

Exterior clads: 23 varieties
Interior clads: 24 varieties



Restroom cubicle and locker solutions

Value-added product range

An eminent name in restroom and locker solutions, Greenlam Sturdo is an incredible assortment of restroom products comprising of restroom cubicles, specially adapted hand holds for physically disabled and privy divider panels which gives a complete solutions for commercial applications and in public areas. These Antibacterial, high wear and abrasion resistant products are manufactured in strict adherence to accepted fire safety norms, and are in accordance to ADA (Americans with Disability Act 1990) guidelines.

Products
Kids collection: 3 varieties
Designer collection: 2 varieties
Classique: 6 varieties
Vibrance: 4 varieties



Decorative veneers

4.20 mn sq. m, production capacity annually, largest in India

Decowood from the house of Greenlam Industries Ltd. has a wide and beautiful range of offering of decorative veneers. Decowood's premium range of natural decorative veneers are sourced from across the globe with over 200 species. The 'Natural collection' offers rich natural colours, intricate grain and the warmth of natural wood.

Products
Naturals: 293 varieties
Teak: 13 varieties
Engineered: 49 varieties
Noirwood: 15 varieties



12 pages small booklet starts from here

Engineered wooden flooring

1.00 mn sq. m per annum, first and only manufacturer in India

Mikasa offers unparalleled flooring solutions with its premium engineered wooden flooring. Greenlam is the first company in the country to manufacture and launch engineered wooden flooring. Offering new collections every year, Mikasa offers products in a wide range of wood species giving their customers plenty of choice to choose from.

Products

Arbor: 15 collection

Atmos: 5 collection

Pristine: 52 collection



Engineered wooden door sets

0.12 mn doors per annum, first and only organized manufacturer in India

Greenlam has become the first company to manufacture engineered wooden door sets under the Mikasa brand. This product introduces a revolutionary concept when it comes to doors. Unlike traditional doors where the door and frame are separate units, Mikasa doors and frames are an integrated, ready-to-install unit. Factory finishing ensures consistent quality and unique designs.

Products

Fire Rated Door sets

Non Fire Rated Door sets to Specialty Door sets





Greenlam laminates



Greenlam
LAMINATES

Greenlam Laminates

984.3

Consolidated revenue in 2017-18 (₹ in crore)

Hallmark of exceptional artistry & innovation/Designs that touch your life

Greenlam laminates bring to you the widest range of innovative lifestyle designs that will redefine your interiors time and again. Be it striking high gloss, bright solid colors, metals or realistic woods, each decor uniquely envelops your personal space

Greenlam laminates



Greenlam laminates



Decowood
Premium veneers



decowood™
PREMIUM VENEERS

Celebrate the best in woods

118.1

Consolidated revenue in 2017-18 (₹ in crore)

Let your imagination go berserk with Decowood veneers exquisite collection sourced from more than 200 species across the world. Turn your home into a modern classic with these never seen before patterns.



Mikasa
REAL WOOD FLOORS

Grow up to wood

From the rustic and earthy to the warm and ethereal, Mikasa Real wood floors leave nothing to imagination. Made for the first time in India, its wide ranging collection brings together the most exotic species of wood from around the world. Mikasa offers a large collection of over 100 unique engineered wooden flooring products which evoke free-flowing contours of peace, health and comfort.

26.2

Consolidated revenue in 2017-18 (₹ in crore)

Mikasa
doors &
frames



16.1

Consolidated revenue in 2017-18 (₹ in crore)

Mikasa DOORS & FRAMES

Engineered to perfection

Mikasa Doors & Frames are a splendid consolidation of beauty and excellence engineered to perform. These doors & frames can be carved in any size and dimension to fit your need and space. Select from our premium quality doorset collection ranging from Fire Rated door sets, Non-Fire Rated door sets to Speciality door sets that give cutting-edge performance and endurance.



"We possess attractive operating leverage, are better placed to enhance capacity utilisation and strengthen return on employed capital."

The year 2017-18 was marked by competitive pressures alongside challenges such as the introduction of RERA and GST.

Even in the face of challenges, Greenlam reported profitable growth: consolidated revenues increased 6.4% (GST adjusted revenues grew ~ 8.8%) and profit after tax strengthened 30.1%.

The principal reason behind this outperformance is that the company consistently invested in discipline and benefited from it.

Operational review

Greenlam is pleased to report an attractive performance for 2017-18.

- Consolidated Revenues grew 6.4% to ₹1,144.7 crores; domestic laminate revenues grew 14.9%
- Consolidated gross margin was 47.7%
- Consolidated EBIDTA was ₹148.9 crores against ₹138.3 crores in the previous year
- Consolidated EBIDTA margin was 13.0% against 12.9% in the financial year 2016-17
- Consolidated PAT stood at ₹64.6 crores, a growth of 30.1%

This improved performance was achieved against the backdrop of slower Indian economic growth of around 6.7% in 2017-18 as against 7.1% in the previous year. This was on account of the lingering effects of the demonetisation of November 2016 and the GST-induced destocking that was visible through the first quarter of the year under review. The enforcement of Real Estate Regulatory Authority affected apartment launches; interior infrastructure product offtake was affected through the course of the year. The company's performance could have been better but for the increase in raw material costs during the year. As crude oil prices increased, the company's

oil-dependent raw material costs climbed. Raw material costs as a proportion of our revenues increased 41 bps over the previous year.

Despite these various challenges, Greenlam's domestic laminates business (accounting for 46.6% of our revenues) reported growth that was twice the country's GDP growth for the financial year under review. The laminates and veneers business reported an EBIT of ₹129.93 crore during the year under review, which accounted for 113.4% of the overall EBIT reported by the company. On a total capital employed of ₹627.43 crore, the business reported an ROCE of 18.3%. The company added relevant manufacturing capacity to strengthen the business and focused on turning a subsidiary around. The business was required to nurse a sizable inventory in view of the large number of SKUs required.

The new businesses of the company (floorings and doors) reported a negative EBIT of ₹15.35 crore. The businesses performed creditably in halving losses and reporting attractive traction during the nascent phase of their growth cycle.

Looking back, the company could have reported a better export performance over the relatively flat growth when compared with the previous financial year. The new businesses of the company could have performed better, even as the Company's working capital management strengthened.

The Indian economy rebounded to 7.2% growth in the third quarter and 7.7% in the fourth quarter, which holds out attractive prospects for our company during the current financial year.

Despite these various challenges, Greenlam's domestic laminates business (accounting for 46.6% of our revenues) reported growth that was twice the country's GDP growth for the financial year under review. The laminates and veneers business reported an EBIT of ₹129.93 crore during the year under review, which accounted for 113.4% of the overall EBIT reported by the company.

GST implementation

The GST was a landmark national event, described by many as possibly the most important single tax reform in the country following independence. The objective of the GST was to replace a multitude of taxes with a unified indirect tax. In doing so, the government linked the various tax incidences, providing tax-paying companies the benefit of an input credit that reduced their cost structure. The tax-unification of the country had another impact: it became easier and quicker to transport products from one part of the country to another.

The impact of GST on the country's laminate sector was positive. In the past, there was a cost differential between the organised and unorganised manufacturers, the former being higher in cost on account of various compliances. The result was that most organised players competed across an inclined playing field, perpetually under-cut by players operating outside the country's tax system.

The GST has begun the process of bringing the unorganised sector into an equitable tax net. Following a reduction in the overall tax incidence on laminate products from 26-28% pre-GST to 18% post-GST, the tax on products purchased by organised players has declined to a point where the differential between organised players and unorganised players has halved. This has enhanced the competitiveness of the country's organised laminate players. The organised players can now leverage their brand visibility, distribution networks and financial capability to provide a superior value proposition over unorganised competitors. I am pleased to report that this traction was visible during the second half of the financial year under review, with the shift in consumption becoming increasingly evident.

We believe that this GST environment provides the country's laminate players with the incentive to invest in their businesses. We believe that the prevailing environment will benefit consumers through enhanced product availability, accessibility and affordability, empowering the organised sector to maintain healthy growth going forward.

Running a quality business

At Greenlam, we believe efficient working capital management and supply chain efficiency represent the heart of a successful enterprise. In a business where the start-up capital expenditure is not as large as in other businesses – a low entry barrier for intending entrants – the competitive advantage needs to be derived from a superior management of working capital. In our business, working capital is usually consumed by the need to manufacture and stock an extensive product variety for the wide-ranging interest of our consumers. Even as we believe we market value-added products, there is an extended time cycle that commences from the procurement of raw material to recovering sale proceeds from customers. The result is that the working capital outlay literally drives our business and its management is one of the irrefutable traces of a sustainable competitive advantage.

The magic then is not just how well we are spread but around what terms of trade; it is not just what we productise but how effectively we brand; it is not just the strength of the product push but the consumer pull that distinguishes the out-performer from the ordinary. What this means is how well one can scale the business with a relatively small Balance Sheet.

At Greenlam, we had institutionalised this intent a few years ago. The message that we sent out was that against a conventional manufacturing-centric approach, the company needed to focus on how well it managed its financial resources. The heart of this activity would reside in the company's terms of trade – how efficiently it purchased raw material on the one hand and how effectively it received sales proceeds quicker from primary customers.

The magic then is not just how well we are spread but around what terms of trade; it is not just what we productise but how effectively we brand; it is not just the strength of the product push but the consumer pull that distinguishes the out-performer from the ordinary. What this means is how well one can scale the business with a relatively small Balance Sheet.

The message

Our game was not just about realisations as much it was about receivables; that we would be open to the idea of discounting moderately, if in exchange we received complete proceeds upfront; that our reported profits would not be our sole focus and that cash flows were more important; that we would rather run a quality distinctive business than a quantity commodity operation.

At Greenlam, this cash-rich business focus is not an end in itself; we believe it provided the company with a platform for extended competitiveness. For instance, the cash available at our disposal makes it possible to negotiate effectively with raw material providers: an attractively lower cost of raw materials in exchange for immediate payment. Our liquidity makes it possible to invest in business-strengthening initiatives without mobilising debt, setting into a motion a virtuous margins delta that ensures we possess resources for onward business expansion. We believe then that initial cash-richness translates into business sustainability. This is rewarded handsomely by the markets translating into enhanced shareholder value.

Greenlam's strategy is then a coming together of a presence in the right business segments, outstanding products, prudent branding and proactive capacity investments to beat inflation on the one hand as well as fiscal discipline on the other. The results are evident in our numbers of the last few years.

Every rupee employed in Greenlam's business generated a consolidated ₹1.49 in revenues in 2014-15; this has grown to ₹1.82 today, indicating a larger return on our expended rupee.

Every rupee of Greenlam's working capital generated a consolidated ₹4.08 in revenue in 2014-15; this has grown to ₹4.25 today, indicating that we are sweating our working capital better despite a wider range of products and enhanced scale in each.

The consolidated receivables cycle has shrunk from 72 days of turnover equivalent in 2014-15 to 54 days in 2017-18, indicating that we are bringing cash faster into the company.

The consolidated inventory turns were 82 days in 2017-18, indicating that we are generating a larger revenue throughput around a smaller just-in-time inventory.

One rupee of debt in the company helped generate a consolidated ₹2.36 in revenues in 2014-15; this has increased to ₹4.55 following repayments over the last four years and a correction of the company's debt-equity ratio from 1.79 to 0.71.

Our consolidated interest cover – the number of times EBIDTA for the year has covered interest outflow, indicating growing cash comfort – has strengthened from 2.99 in 2014-15 to 8.25 in 2017-18.

Quality of our business

Two indices of our performance during the last financial year showcased an improvement in overall profitability: consolidated return on capital employed improved from 16.8% in 2016-17 to 18.3% in 2017-18 and consolidated EBIDTA margin strengthened 12.9 bps to 13% in the face of growing competition, market disturbance (before and after GST implementation) and the housing sector affected by oversupply and RERA imposition.

The fact that our profitability benchmarks improved when sectoral sales growth was not pronounced should communicate some relevant things: that most arms of the corporate engine are working in sync, we are not dumping stock on our trade partners, we are not telling retailers to sell at any cost and we are not chasing market share at the expense of profitability.

Greenlam reinforced its Consolidated Balance Sheet through lower debt: external funds declined 15.7% to ₹251.7 crore as on March 31, 2018, which we believe represents a robust competitive edge in a resource-intensive business.

The result is that in our Consolidated P&L Account, interest outflow optimized 36.8% to ₹18.1 crore in 2017-18 and net profit margin rose 100 bps to 5.6%, a trend that is likely to strengthen.

Greenlam's marketing and branding platforms comprise a 360-degree market approach, catalysed by 26 interactive websites that showcase products for customers. Besides, the company's omni-channel engagement (including Facebook and Twitter) strengthened offtake.

5 value drivers at Greenlam

1. Growth in quality revenues marked by high gross margins
2. Moderated capital expenditure
3. Nominal cost increase; reinforced cost management
4. Increased proportion of value-added products
5. Lower debt

Capacity investments

The company strengthened its business during the year under review through the following investments: laminates capacity expansion of 2 mn sheet lines at Nalagarh for a capex of about ₹28 crore, 30% lower when compared to a similar facility. We believe that this expansion will address an impending rebound in interiors demand coupled with a growing international offtake derived from our presence across 13 international offices and six overseas subsidiaries.

Our engineered wooden flooring and engineered wooden door sets businesses reported attractive growth in 2017-18. In a country where aspirations and home-pride are rising, the product segment will widen and mature. Greenlam is India's only manufacturer of engineered wooden flooring and the only organised manufacturer of engineered wooden door sets, addressing a widening replacement opportunity while making inroads into institutional sales where there is a premium on timely delivery.

Corporate optimism

Greenlam is optimistic on account of significant government policies directed at widening the market. The Pradhan Mantri Avas Yojana expects to build over 2 crore affordable homes by 2022 for low-income groups, driven by a subsidy grant for ownership and mortgage financing. The Smart City programme could widen opportunities for our products, strengthening offtake.

At Greenlam, we believe that success in a large, competitive and challenging marketplace is generally derived from preparedness. A few years ago, we selected to invest upfront in manufacturing facilities and capacities even as we knew that the markets would only gradually mature. We did so because with markets in a slowdown, it was easier to source the best equipment around the lowest cost, it was important to send a message out to the trade that we possessed adequate capacity to service their growing needs, we believed that upfront investments would beat subsequent inflation and that possessing ready capacity would always be better than playing catch-up when demand rebounded.

The reality is that we possess attractive operating leverage, we are better placed to enhance capacity utilisation when demand rebounds and we believe that now we are completely invested, any increase in capacity utilisation – all other conditions being stable – should translate into an enhanced return on employed capital.

The company possesses unutilised systemic capacity, making it possible to scale output at virtually no cost, translating into time and cost-efficiency. It is this discipline that we expect to profit from and enhance value for all those invested in our company.

Greenlam addresses a US$7.2 billion global laminates market, growing 2-3% annually. The company is present in 100+ countries and possesses critical mass, economies of scale, employees in global locations and brand visibility to scale its international presence. Going ahead, the company intends to strengthen people productivity, moderate debt, increase the proportion of value-added products, drive value from its prominent brands and turn its new businesses around.

The long-term focus at our company continues to lies in running an efficient engine from which scale will be a logical extension as opposed to a conscious attempt to grow larger at the expense of our internal mechanics.

Given these realities, we believe that the company addresses an optimistic future, expecting to enhance value for its entire stake-holding eco-system.

Saurabh Mittal,
Managing Director & CEO

Our surplus allocation, 2017-18

Capital expenditure of ₹38 crore

Repaid ₹47 crore in debt; strengthened gearing from 1.79 (March 31, 2015) to 0.71 (March 31, 2018)

Result, 2017-18
Strengthened cash flows higher than EBIDTA

Our surplus allocation, 2018-19 (estimated)

Routine capital expenditure

Moderate debt

Result, 2018-19
Strengthen gearing and cash flows

Our performance ambition

AT GREENLAM, OUR PERFORMANCE AMBITION IS TO CREATE A COMPANY RESPECTED FOR THE QUALITY OF ITS BUSINESS, REFLECTED IN THE INTEGRITY OF ITS BALANCE SHEET AND ABILITY TO ENHANCE FOR ALL ITS STAKEHOLDERS

Overall goal

To build a highly profitable company across market cycles, respected for its ability to lead innovation, market growth and margins.

Probable goal contributors

Enhance profit share:
Reflected in superior margins and return on capital employed

Operational discipline
Reflected in low costs (capital and operational) and low gearing

Plug market gaps
Lead the market with new categories, products and price points

Intended investments

Infrastructure
Maximise utilization of our existing capacities across the laminates, veneers and new business

Brand
Strengthen recall as a material provider of choice

Innovation
Address product and market gaps with the launch of innovative products and services

Measuring our performance ambition

Profitable growth

Consolidated total income
Grew 6.4% in 2017-18

Consolidated EBIDTA
Grew margin 10 bps to 13.0% in 2017-18

Consistent value creation

Consolidated Return on invested capital
Grew 150 bps to 18.3% in 2017-18

Market capitalisation
Grew from ₹1588.17 crore as on March 31, 2015 to ₹2,891.05 crore as on March 31, 2018

Financial mechanics (consolidated basis)

Free cash
Grew 4.5% to ₹52.7 crore in 2017-18

Average cost of debt
6.3%, 2017-18

Debt-equity ratio
0.71 as on March 31, 2018

Interest cover
8.3x as on March 31 2018

The challenges that businesses face

Growing competition Trade wars Brand clutter Real estate sector slowdown Raw material inflation Employee attrition Emerging product alternatives Economic sluggishness Strengthening crude prices Rising people costs Evolving consumer preferences New tax environment Multi-country tariff changes Cultural complexities across countries

Greenlam's insurance

Corporate discipline

The impact at Greenlam

Market outperformance

Profiting from Discipline

Profiting is…

The ability to prioritise initiatives that maximize gains

The ability to squeeze every possible upside from an available opportunity – more from less

The ability to generate gains that are sustainable

The ability to generate profitable growth

Discipline is…

The ability to focus on an overarching objective rather than diffuse attention

The ability to reinforce competence that may be an inch wide but goes a mile deep

The ability to converge employees across dozens of locations around a common objective

The ability to focus on select things but do them better than anyone else

Greenlam. Profiting from discipline

This is how we invested in the discipline…

Discipline of strategic consistency
At Greenlam, we believe that the ability to profit from an initiative best derived through strategic consistency until it becomes a part of the organizational DNA. The company has continued to emphasise that it would rather focus on creating a quality business rather than a quantity operation; it would rather be the best than be recognised only as the biggest; it would rather be the most profitable business with the smallest corresponding Balance Sheet the basis of long-term profitability.

Discipline of product focus
At Greenlam, we believe that long-term success is derived from the ability to specialize rather than generalise. In view of this, the company has selected to focus on interior home decorative surfaces rather than extend its presence across different business areas.

Discipline of investing in the intangibles
At Greenlam, we believe that attractive business value is being increasingly derived from an investment in intangibles – brand, distribution network, customer relationships and knowledge. In view of this, a significant investment of resources (management bandwidth and money) is being made in these intangibles, strengthening business efficiency.

Discipline of proactive capacity creation
At Greenlam, we believe that success in a competitive marketplace is derived from the ability to always have products on shelves when customers need them. Over the years, this resulted in the ability to build capacity slightly ahead of the demand curve and focus on the creation of prospective demand (and markets) rather than compete for market share.

Discipline of pioneering introductions
At Greenlam, we recognise that consumer preferences keep evolving in line with increased incomes and global exposure. In view of this, the company continues to focus on launching pioneering products in an increasingly populated space, immediately carving away mind space and generating superior brand recall.

Discipline of providing solutions
At Greenlam, we are seeing increasing evidence of lower time availability among consumers. In view of this, the company has graduated from mere product marketing to overall solutions; from mere product placement to helping customers plan their interiors better; by widening product choice so that consumers can take informed decisions.

Discipline of brand-led marketing
At Greenlam, we believe that our biggest asset does not reside in our manufacturing facilities or even our Balance Sheet; it lies in the value of our brands. Over the years, we have created a distinctive family of brands, marked by a recall around attributes like 'transform', 'dependable', 'durable' and 'superior price-value'.

Discipline of scale and efficiency
At Greenlam, we believe that long-term competitiveness is derived from being able to manufacture the largest quantity at the lowest costs (conversion and fixed) per unit of production. Over the years, we invested in capacities ahead of the curve, beating inflation; besides, we enhanced capacities at a cost lower than the corresponding greenfield cost, strengthening our competitiveness. The result is that even as we have grown larger, we have become more competitive.

Discipline of value-addition
At Greenlam, we believe that an attractive sustainable profitability is derived from the capacity to market a progressively larger proportion of value-added products. Over the years, this Greenlam movement towards value-addition makes it possible to provide superior consumer solutions, cover fixed costs more effectively, strengthen overall margins and enrich the company's brand.

Discipline of working capital management
At Greenlam, we believe in prudent terms of trade – the ability to pay vendors with a time-lag in exchange for long-term procurement commitment and the ability to receive trade inflows faster following a reasonable discount for prepayment. The available cash float is our hedge that makes it possible to maximize working capital efficiency in a working capital-intensive business.

Discipline of creating an eco-system
At Greenlam, we believe that long-term success is derived through the stability of the eco-system, reflecting in stable resource providers, high employee retention, growing trade partners, blemishless environment compliance, sensitized community engagement and addressing the needs of financial stakeholders (lenders and equity partners) – the entire-eco-system.

Discipline of indebtedness
At Greenlam, we believe that long-term business sustainability is derived from low indebtedness. This reality is usually achieved from the ability to grow the business through accruals (lowest cost funds) and non-dilutive growth. In the event that the company may consider it prudent to mobilise debt, there will always be a focus on moderating debt cost below the prevailing average coupled with extended repayment tenures that protect liquidity.

This is how we profited from discipline

(All financial figures on a consolidated basis)

Outperformed national economic growth

6.7
India's GDP growth, 2017-18 (%)

9.3
Greenlam's India revenues growth, 2017-18 (%)

Generated a superior return from every rupee invested

9.4
Return on capital employed (%), 2014-15

18.3
Return on capital employed (%), 2017-18

Strengthened gearing even as we grew

1.79
Debt-equity ratio, 2014-15

0.71
Debt-equity ratio, 2017-18

Moderated debt cost

8.15
Average debt cost (%), 2014-15

6.30
Average debt cost (%), 2017-18

Strengthened margins

9.7
EBITDA margin (%), 2014-15

13.0
EBITDA margin (%), 2016-17

Moderated our working capital outlay

90
Working capital (days), 2014-15

86
Working capital (days), 2017-18

Sweated our working capital better

4.08
Sales generated from every rupee of working capital (₹), 2014-15

4.25
Sales generated from every rupee of working capital (₹), 2017-18

Strengthened return on brand

12.02
Sales generated from every rupee of brand spending (₹), 2014-15

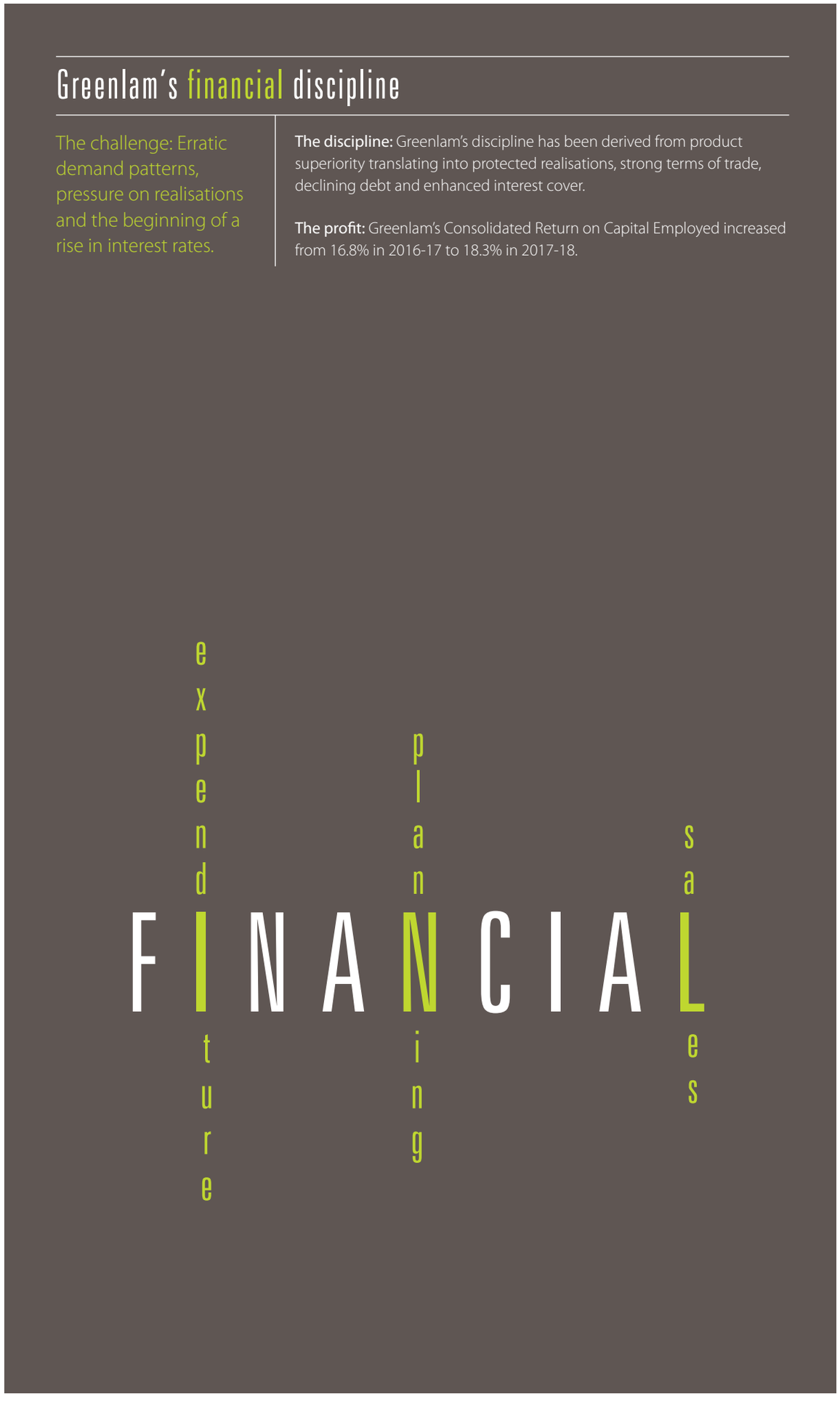
14.98
Sales generated from every rupee of brand spending (₹), 2017-18

Greenlam's financial discipline

The challenge: Erratic demand patterns, pressure on realisations and the beginning of a rise in interest rates.

The discipline: Greenlam's discipline has been derived from product superiority translating into protected realisations, strong terms of trade, declining debt and enhanced interest cover.

The profit: Greenlam's Consolidated Return on Capital Employed increased from 16.8% in 2016-17 to 18.3% in 2017-18.



Business-strengthening initiatives

At Greenlam Industries, we focused on enhancing value from the business that was distinct from the need to increase revenues. Through this distinction, the company was able to send out a message across stakeholders that the company prioritised the need to run a quality business over a quantity business.

The year under review was marked by an increase in raw material costs, demand and delivery disruptions caused by GST, weak market sentiment following demonetisation and growing competition.

Greenlam responded with fiscal discipline: strict control over working capital and capital expenditure moderated interest costs and interest subvention for exporters, optimised sales and administration expenses as well as improved performance of the engineered floor and door businesses.

The result was that laminate offtake increased 7.9%; laminate production strengthened 9.8%. The company enhanced laminate capacity; utilisation strengthened from 98% in FY16 to 101% in FY18.

The challenges notwithstanding, the company moderated debt and interest on the one hand while increasing business margins and returns on the other.

Going forward, the industry seeks to double its size across seven years, riding the Housing for All initiative and interest incentives for housing loans. Based on optimistic outlook, the company intends to increase and enhance capacity utilisation over the coming years.

EBITDA

FY 2016	FY 2017	FY 2018
129.5	141.3	148.9
₹ cr.	₹ cr.	₹ cr.

Gross profit

FY 2017	FY 2018
509.1	546.4
₹ cr.	₹ cr.

Net profit

FY 2017	FY 2018
49.7	64.6
₹ cr.	₹ cr.

RoCE

FY 2017	FY 2018
16.8	18.3
%.	%.

RoE

FY 2017	FY 2018
16.7	18.1
%.	%.

Debtors' cycle

FY 2016	FY 2017	FY 2018
65	54	54
days	days	days

Interest cost

FY 2016	FY 2017	FY 2018
3.1%	2.7%	1.6%
of sales	of sales	of sales

Greenlam's marketing discipline

The challenge: India's interior décor sector has a significant presence of unorganised brands, raising competition and brand clutter.

The discipline: Greenlam has been consistently focussing on differentiation, integrity and innovation. Through this, the Company has created robust brand equity.

The profit: Greenlam's India revenues grew 2x national GDP growth in 2017-18. The Company's products enjoy significant brand recall.



Business-strengthening initiatives

At Greenlam, our products are directed at customers inclined toward visual aesthetics, environment responsibility, superior price-value proposition and interiors-pride.

Over the years, the fundamental difference in the way Greenlam managed its marketing is that we progressively graduated our product into a solution. The solutionisation of products comprises a range of initiatives: providing the consumer with an updated swatch comprising the latest designs, the stocking of the widest range of product designs, the access to our wide variety at retail stores and the installation support for clads, sturdo, floorings and door sets minimises consumer inconvenience.

The result is that at Greenlam the branding and marketing functions extend beyond purchase: they cover the product life cycle through a superior consumer experience derived through a fusion of superior technologies, sophistication and quality premiumness.

Over the years, the Company established a trend-setting experience reflected in the following launches:

- **Unique patterns & wide Colour palette:** The distressed veneer collection by Decowood brings out the mineral streaks and flaws of the wood and enhance the aesthetic outlook. Decowood's Pristine Granite from the Morphous collection carries a seamless aged look of cracked stones. It is suitable for both vertical and horizontal application. This collection is available in 10 varied shades.

The latest collection of real wooden flooring by Mikasa captures a wider range of colours from the lighter blonde shades like Oak Crème, Oak prime to bolder darker shades for Oak Choco , Oak Lumen. The collection also includes contemporary shades with a dash of grey and red to suit any room.

- **The Herringbone collection:** The Herringbone flooring range looks like classic ancient Roman architecture and will add that artistry and grandeur to your interiors. The new collection features patterns like Square/ Diagonal Herringbone, Double Herringbone, Brick Pattern Half bond, Diagonal Basket and Square Basket. Each pattern offers a distinct look to your floor and adds a different dimension to your room.

Apart from the different patterns, the Herringbone range is also available in single colour products as a part of the Solitary collection and two-colour products as a part of the Twine collection. The Solitary collection features both light and dark shades of wood to cater to all tastes. The Twine collection comprises alternating strips of light and dark species of wood.

- **Opulent and luxurious:** Decowood introduced a new range of premium distressed veneers which are rugged and rustic, yet sophisticated in character. The veneer has been designed in sync with the new-age interior trends like the hipster and the grungy look. The veneers are available in six variants such as plus oak, plus walnut, knotty oak, knotty pine, pak parquet and teak grandeur.

- **Naturals:** Greenlam launched a range of new designs with 58 laminates and added three more textures. The latest collection features textures ranging from natural textures like wood, stone and fabric to abstract ones like stucco which add a certain appeal and ruggedness.

Greenlam has strengthened productisation: Starting with products for entry-level consumers extending across the price range with reasonable increments, making it possible for a first-time consumer to graduate progressive purchases in line with an increased income cycle.

Greenlam has reconciled the conventional offline marketing channel with the online complement. Even as the company's offline strategy engages architects, designers, OEM, contractors and builders to use the company's products, the online engagement touches millennials through social media platforms. The result of this approach has combined familiarity with accessibility, strengthening offtake.

2017-18 initiatives

During the year under review, the Company strengthened its engagement with builders, architects and dealers.

Focus: The Company's FY18 initiatives were categorised into five key segments: retail, brand activities, above-the-line activities, brand merchandise as well as public relations cum digital activities. Retail locations remained the principal point of consumer contact; Greenlam leveraged the use of shop-in-shop displays, mock-up displays, in-shop branding, products gallery and express sampling to enhance the retail experience and showcase offerings.

Stronger engagement: Brand activations, schemes and surprises sustained momentum through the year. The Company arranged for architects to visit its manufacturing facilities to enhance their product and process knowledge.

Apps: Greenlam launched two apps - Colourama and AR experience. The Colourama app empowers users to select

How Colourama transformed Sujata's home…

Sujata Bajaj of Gurgaon was refurbishing her home. She invested in a number of home decor magazines and websites. She was able to get a collection of interesting ideas to be replicated at the residence. However, she soon ran into a problem. Each time, she presented the pictures across the retail counter to find a corresponding product or design, the answer would be the same: 'Madam, yeh magazine ke design ke mutaabik hum product kahaan se laayien?' Just when she was resigned to the fact that her magazine-induced creativity would have to be abandoned, someone suggested an app called Colourama. She downloaded the app and this is what she discovered: that when she uploaded the admired pictures onto the app, the app showcased products similar to or closest to what she had uploaded. Suddenly, she was back in business. Greenlam had widened possibilities. She is now recommending the app to others with the line: 'If you can dream it or picture it, Greenlam can deliver it!'

a colour from a range of pre-defined colour palettes or click a picture of a design that they like with the app matching it to the nearest design across Greenlam's range. Besides, the app enhanced consumer excitement by displaying overall interior designs best complementing the selected laminate. On the other hand, the AR Experience app empowers users to explore 30 laminate categories, while virtually applying laminate sheets within one's home to experience how best interiors can transformed without a physical experiment or even having to leave one's premises.

Events: The Company organized as well as participated in a number of domestic and international events to promote its various brands and products like- GLFA Launch-2017 comprised of dealer meets in prominent cities saw the trade activation for new introductions in the Greenlam laminate range. International Clads Conclave held in Thailand was focused on promoting the exterior grade compact laminates and garnered huge interest in the product. There were two events orchestrated to promote the Decowood veneers-Decofest Behror-2017 to boost its sale and order booking and the glamorous FUMESTA 2017, wherein the company launched its blazing innovations in veneers - 30 new Decowood veneers under the 'Dark Wood Collection' series, and 5 veneers under a brand-new category, the 'FE3 Collection'.

The Company also inscribed its presence among the World's finest in wood industry through exhibitions of global repute. Interzum-2017 held in Germany saw Company's innovative laminate designs leave their mark on architects and designers from all over the World and in Domotex-2018 Mikasa floored Germany with its ingenious wooden flooring. Back home Company exhibited its entire product portfolio at India Wood Exhibition, March 2018. Apart from all these events the company also organized various meets with dealers, contractors, architects and carpenters

Contests: The Company executed a contest Decowood Design Divas Season 2 . The contest was created as the ultimate reference for design achievement and capability of spaces conceptualized using Decowood veneers, led by women architects to be the harbingers of change in design spectrum. The Decowood Design Divas Award as a platform identified and celebrated new edgy futuristic design concepts and innovation. The contest attracted over 500 qualified entries of women architects from all over the country. The top three winners bagged a paid trip to Salone Del Mobile in Milan along with a chance to showcase their creation & Felicitation at the TRENDS EXCELLENCE AWARDS held in March, 2018, and features in Good Homes and Home & Design Trend.

Another contest administered was Decowood Knowledge Trip Season 2, targeted at Architects and designers it gives them the opportunity to take a journey into the Spessart Forest in Germany, renowned for the quality of their wood, especially oak, and learn about the art of wood veneers.

Engagement: The Company's public relations and digital campaigns focused on innovative e-mailers, product shoot photographs, brand posts and technology posts. Interactive polls generated a 35% increase in organic enquiries through the social media. A brand campaign for 'New Décor' on Facebook achieved 650,000+ views, 4500+ impressions and 2000+ leads.

Why Cyrus Contractor is a relieved interior designer today …

In the past, when Cyrus Contractor recommended a laminate to a client, the standard practice was showing a swatch to the client, getting consent and ordering the selected variety. However, there was always the risk of the customer changing her mind after the laminate had been used. 'Cyrusbhai,' she would often hear, 'the laminate is good but when you see it across all the cupboards it creates too over-powering an impact. Can we rip them off and select all over again?' The likes of designers like Cyrus now have an unusual ally: Greenlam's AR Experience app. This app is the answer to the prayers of all interior visualisers: it empowers users to explore the company's wide range of laminate categories, 'applying' laminate sheets across pictures of one's home and presenting a simulated version of how the interiors would look across different laminate varieties. 'This virtual trial has taken the tension out of this segment of my client engagement,' says Cyrus. 'There is no squabbling that 'You told me and I bought' anymore. Greenlam has provided me with a peace of mind.'

Outlook

Greenlam intends to intensify marketing and branding activities through retail panel displays, mock-ups, display stands, in-shop branding and express sampling. Brand activities, ATL activities, merchandise and digital activities will continue driving engagement and generate conversions.

Greenlam's Innovation discipline

The challenge: Growing competition; declining product differentiation; increased brand clutter; evolving client preference.

The discipline: Greenlam's discipline is the result of creating new product categories and within each product category launching innovative products.

The profit: A considerable proportion of revenues were derived from products launched in the three years ending 31 March 2018, indicating the company's capacity to periodically renew itself.



Business-strengthening initiatives

At Greenlam Industries, innovation represents the driving force of the company's competitiveness.

Our innovation momentum is derived from a deep understanding of the customer's pain points: the fact that the customer experienced the utility of wooden flooring when travelling abroad but struggled to find a suitable organised vendor within India; the fact that most customers selected to fabricate doors and windows on the landing of their premises, inconveniencing residents; the fact that the fabrication of doors consumed precious time that prevented the customer from moving into a new premises; the fact that customers often bought laminates on the basis of swatch size whereas post-installation impact was often different.

Greenlam addressed these product and experience gaps through timely product and process innovation. Greenlam is among the world's three largest laminate producers, Asia's largest laminate brand, India's largest exporter of laminates for the last 8 years, India's number one decorative veneer brand, India's only manufacturer of engineered wooden flooring and India's first organized manufacturer of engineered wooden doors and door sets.

Greenlam is not just among the country's first wooden flooring brands with a domestic manufacturing facility; it provided a finished product quality that compared with the global standard. In this case, the company strengthened product durability through the interplay of three layers and created an application that restricts uneven expansion or contraction. The PlankLoc technology makes it possible to join planks without adhesives. The planks enjoy up to a 30-year warranty.

This sense of innovation extended to the company's engineered wooden door sets. To minimise on-site inconvenience, Mikasa doors and frames are factory-finished - the only organised Indian player to offer such a solution. The factory-finish solution in line with precise measurements makes the product fit-and-forget – no mismatches, no polishing and no maintenance. This ability to create doors and frames from scratch has transformed into a specialisation: the company fabricates doors around customised applications such as fire resistant doors with ratings of FD30, FD60, FD90 and FD120 radiation shielding doors and sound-suppressing door sets. The Company exports engineered wooden door sets to UK and other countries, while seeking opportunities in UAE.

The engineered flooring and doors & frames businesses reported significant growth; engineered flooring is considered a status symbol while engineered wooden Door sets are considered premium over traditional door sets. Being the only organised player with diverse offerings in both categories, Greenlam is optimistic about prospects in these businesses leading to sustained market outperformance.

Revenues, engineered wooden flooring

(₹ in crore)

FY 2016	FY 2017	FY 2018
16.3	18.0	26.2

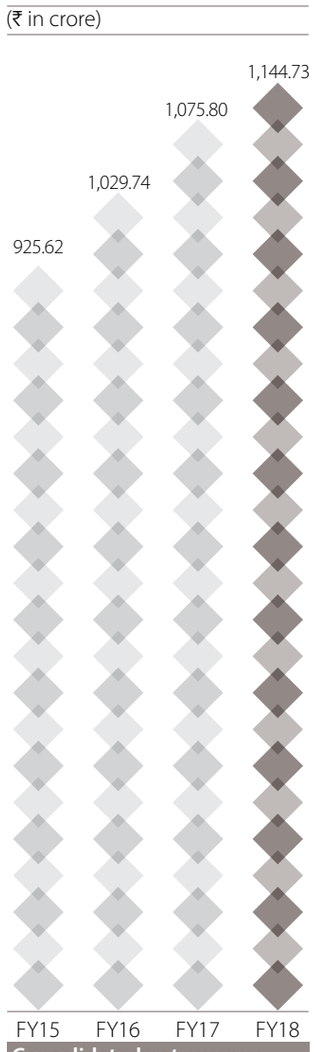
Revenues, engineered wooden door sets

(₹ in crore)

FY 2016*	FY 2017	FY 2018
1.1	12.3	16.1

*Since September, 2015

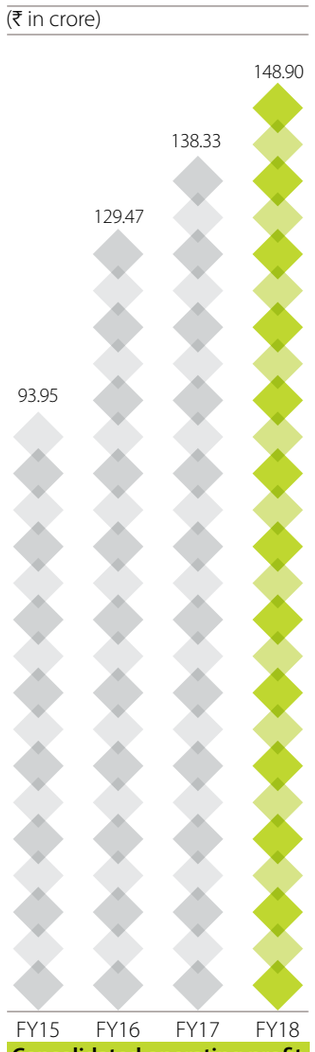
How we profited from discipline in the last few years



Consolidated net revenue

+6.4%

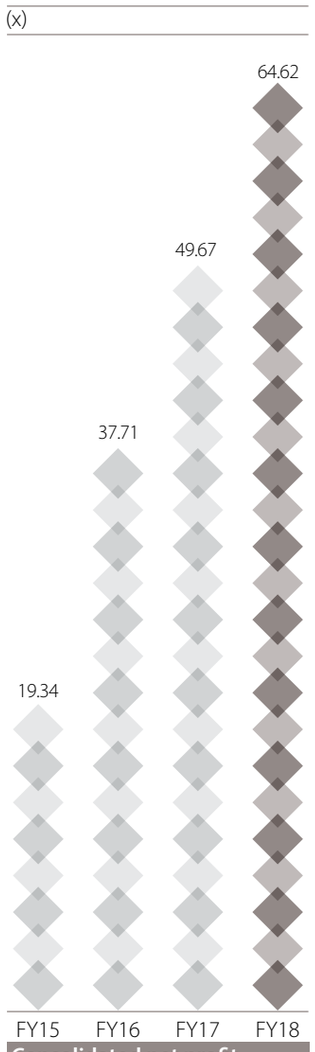
Our consolidated sales (including subsidiaries) increased 6.4% to ₹1144.73 crore in 2017-18. Higher sales volumes and a greater contribution from allied businesses.



Consolidated operating profit

+7.6%

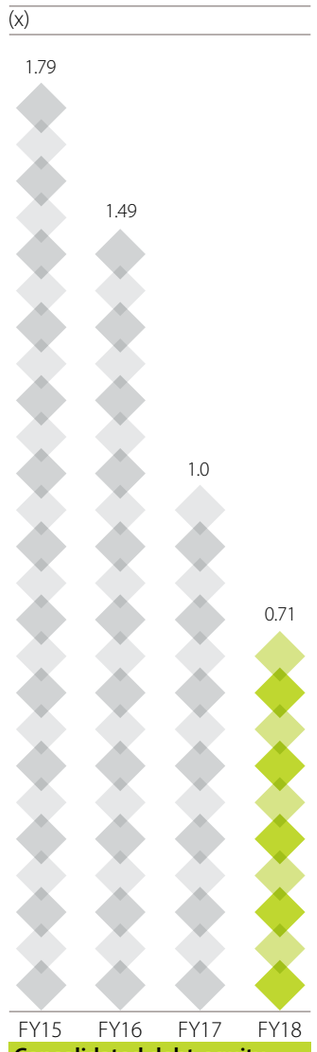
Greenlam reported a 7.6% increase in consolidated operating profit during the year under review. Despite challenges within the industry, the Company achieved higher profits though an improved product-mix, pan-India reach and superior customer service.



Consolidated net profit

+30.1%

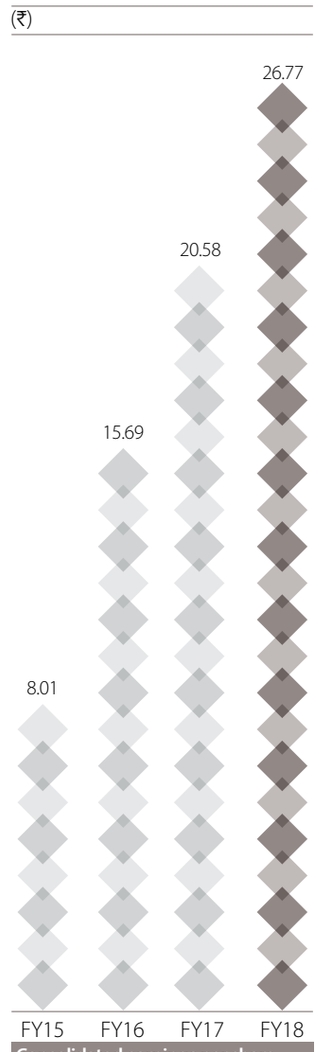
Greenlam's consolidated net profit improved 30.1% to ₹64.62 crore in 2017-18. Our net profit margin improved by 100 bps to 5.6%. Consolidation of the organised sector, higher brand recall and growing overseas markets are enhancing optimism, going forward.



Consolidated debt-equity

0.71x

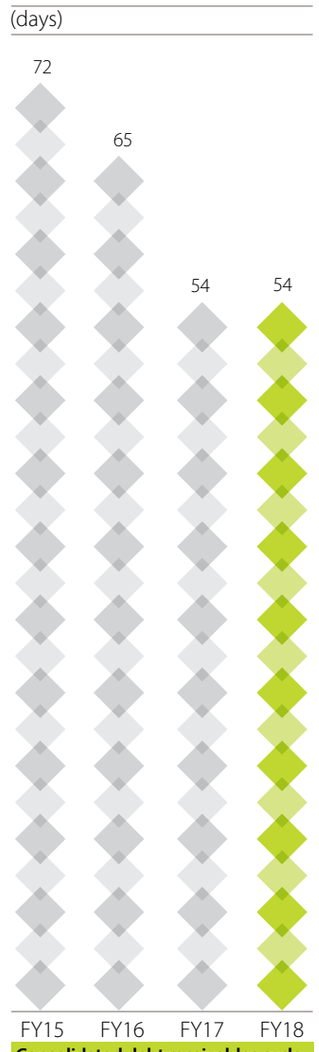
The Company's debt-equity ratio stood at 0.71x. Lower debt and working capital requirements helped sustain the debt-equity ratio.



Consolidated earnings per share

+30%

Consolidated earnings per share increased from ₹20.58 in the financial year 2016-17 to ₹26.77 during the year under review, indicating a steady rise in earning power.



Consolidated debt receivables cycle

54 days

Greenlam's consolidated receivables cycle maintained at 54 days on account of stricter credit discipline. With increasing trade alignment, we intend to generate a faster receivables inflow, moderating our working capital requirement from external sources.

The discipline of paying back



At Greenlam, sustainability lies at the heart of our business. In equal measure, the Company engages with the community to assist with development, healthcare and education as the key focus areas. Greenlam's CSR interventions are largely focused on areas around its plants, such as Behror and Nalagarh, besides Pali, Nagaur and Ghaziabad.

Pali and Nagaur
Rajasthan

Behror Block
Alwar District, Rajasthan

Ghaziabad
Uttar Pradesh

Panjehra Panchayat
Nalagarh
Himachal Pradesh

In each location, Greenlam collaborates with NGOs and consulting partners to achieve the best results from its intervention, based on a grassroots-first strategy. During the year under review, the Company engaged with the following partners:

MAMTA
Pali & Nagaur, Behror

Udayan Care
Ghaziabad

SARD
(Society for All Round Development)
Nalagarh

SATTVA
CSR Consulting partner







THE COMPANY'S SPECIFIC INITIATIVES FOR EACH LOCATION ARE DETAILED BELOW.

Nalagarh

Education

The Company helped to set up six Child Resource Centers (CRCs) in 6 specific intervention schools with the intention of facilitating a holistic learning environment, which has benefited over 280 students. Additionally, Building as Learning Aid (BaLA) has also been developed across all these schools. BaLA uses an innovative physical teaching environment to make learning more vivid and imaginative. The focus was also on teachers, for whom workshops were conducted with an additional workshop on pedagogy training, conducted for all government school teachers in the block. The cumulative effort trained 41 teachers and head teachers to improve the quality of delivery of the curriculum. The impact of these measures was evident from students of grades 3-5 showing an improvement of 19.9 percent in the intervention schools.

Health

The Company, along with its partner NGO, formed 24 groups comprising 8 mothers and 16 adolescent groups in 6 villages. Meetings were conducted across all groups to raise awareness on best health practices and address critical community health concerns. Additionally, the Company also organised workshops for Anganwadi Workers, Accredited Social Health Activists (ASHA) and Auxiliary Nurse Midwives (ANMs) on provision of quality health services. Some 84 Frontline Health Workers (FHWs) participated in the workshop and were informed about access to health services and oriented about roles and responsibilities. Two health camps were conducted during the course of the year, attending to over 300+ participants from community and providing free health check-ups and awareness on healthy practices. The Company also achieved a 98.8% immunization coverage across the 6 intervention villages. All the community children were provided linkages and regular follow-ups to ensure immunization.

CASE STUDY

Kanaram had nothing to work on and could not find any employment. After enrolling for the EDP program, he was sensitized on various issues of starting a small scale job. A two-day work shop boosted his confidence. Followed by the exposure visit he decided to register with RSETI in Pali to start his own line of menswear. "It was difficult in the beginning and I would only stitch for my brother and family members. But I gradually scaled my skills and started getting orders from outside. I began to generate a stable income. My family is now very happy."

Behror

A roadmap was created, covering 34 villages, and impacting over 2505 direct beneficiaries. Separate groups were formed comprising 50 adolescent groups (25 boys and 25 girls) and 50 mothers' groups targeting awareness campaigns, meetings and discussions. The community was given the ownership over their responsibilities. 75 community stakeholders including the Village Sarpanch, Anganwadi workers, block level health officers and ASHA and ANMs were mobilized for this project. Influential members like Village Sarpanch and Anganwadi workers were sensitized to drive the intervention. Additionally, 4 Youth Information Centres and 2 Smart Parenthood Clubs were formed to facilitate community events and meetings. Adequate infrastructure to ensure effective awareness meetings and community events was established. Some 28 special thematic meetings were held over the year at a community level on various health topics with a focus on long-term outcomes. Thematic meetings on various topics, such as newborn, maternal and adolescent health, were covered in these community-led events.

Pali/Nagaur

The multi-tier intervention required extensive planning and execution. The efforts covered 54 villages in total: 28 in Nagaur and 29 in Pali, reaching out to 42,480 and 46,100 beneficiaries respectively. The combined direct and indirect beneficiaries was close to one lac people over the course of three years.

Self-help groups of 114 adolescent groups (57 boys and 57 girls) and 114 mothers' groups were formed as per the plan chalked out by the Company and its partner. Regular awareness meetings and community events were organized and gradually the community took ownership of the project. Some 134 peer leaders were instituted to act as flag bearers of the intervention in the community. These peer leaders were trained to ensure continued momentum of the intervention, even after the exit of the partner agency. 10 Youth Information Centres (5 in each of the 2 districts) were set up to facilitate community events and meetings. Additionally, 725 participants were part of the Entrepreneurship Development Program (EDP), out of which 220 have been successful. The trainings constituted entrepreneurship training and were linked to financial services. The partner agency was involved in the initial handholding stage to ensure that the budding entrepreneurs were successful.

CASE STUDY

Bharti, from Balrai village, Pali use to sell fabric and had to travel from village to village but her efforts brought little stability to her household. Because of excessive travelling, she would often feel weak and her confidence began to wane. Her son was part of the Entrepreneurship Development Programme and she learned of its benefits. Bharti reached out to the partner agency and attended a two-day workshop and exposure visit. In the exposure visit she came in contact with the RSETI in Pali village and enrolled herself for one-month training program to learn tailoring. After completing the course, she began to tailor clothes for her family members to refine her skills. Eventually she began to take orders from the village folk and is doing very well for herself and her family. Her health has improved as well. She now shares her learning with other members of community and encourages them to look out for themselves.

Ghaziabad

The project at Ghaziabad was aimed at providing foster care for orphaned children. 12 orphaned girls aged 5-18 were provided holistic foster care in a 'ghar' that was developed specifically with a child-friendly environment to ensure the all-round development of children. The 'ghar' focuses on holistic development, mental health, well-being, education, learning, and mentorship for the children. Besides, a provision was made in a private school in the region to ensure education for all girls. Field trips and exposure visits were conducted, along with various workshops on skill building, education and hygiene and health practices. Counselling sessions were also provided all-year for the children.

Statutory Section

Directors' Report

FOR THE FINANCIAL YEAR 2017-18

Dear Shareholders,

Your Directors have the pleasure in presenting the 5th Annual Report on the business and operations of the Company along with the Audited Financial Statements of the Company for the financial year ended March 31, 2018.

Financial Highlights

(₹ in Lacs)

Particulars	Standalone		Consolidated	
	2017-18	2016-17	2017-18	2016-17
Profit before Finance Cost, Depreciation & Amortisation Expenses and Tax Expenses*	**13,875.93**	**12,556.89**	**15,052.93**	**14,084.39**
Less: a) Finance Costs	1,597.69	2,544.74	1,805.22	2,854.94
b) Depreciation & Amortisation Expenses	3,312.37	3,339.70	3,595.27	3,664.29
Profit before Tax	**8,965.87**	**6,672.45**	**9,652.44**	**7,565.16**
Less: Provision for taxation	3,046.18	2,391.53	3,190.71	2,598.11
Less: Non-controlling Interest	-	-	1.11	1.18
Profit for the year	**5,919.69**	**4,280.92**	**6,460.62**	**4,965.87**
Add: Other Comprehensive Income (Net of taxes)	(104.16)	(114.97)	(225.69)	19.39
Total Comprehensive Income (Net of taxes)	**5,815.53**	**4,165.95**	**6,234.93**	**4,985.26**
Add: Balance brought forward from previous years	12,859.24	9,483.79	12,586.86	8,392.10
Amount available for appropriation	**18,674.77**	**13,649.74**	**18,821.79**	**13,377.36**
Appropriations:				
Dividend paid on Equity Shares	362.05	241.36	362.05	241.36
Tax paid on distribution of dividend	73.70	49.14	73.70	49.14
Transferred to General Reserve	500.00	500.00	500.00	500.00
Balance carried to Balance Sheet	**17,739.02**	**12,859.24**	**17,886.04**	**12,586.86**

* Including Other Income

Operations and State of Affairs of the Company

During the financial year 2017-18, your Company posted a moderate growth of 6.06% (GST adjusted growth of ~8.58%) in total income to ₹1,07,395.87 lacs as against ₹101,257.80 lacs in the previous year and a robust growth of 38.28% in net profit to ₹5,919.69 lacs from ₹4,280.92 lacs in the previous year. This performance needs to be viewed against the backdrop of a challenging business environment, namely, uncertainty around GST rates, weak real estate sales and subdued consumer sentiments. The building material sector witnessed multiple disruptions in the sales due to divergence of the GST rates and the challenges in its implementations at distributors, dealers and retailers level.

Laminates and allied products constitutes around 85% of our sales and in financial year 2017-18, sales grew by 8.0% to ₹90,033 lacs (GST adjusted sales grew by ~11.1%). The veneer and allied products contributes 15% to our total sales and sales grew by 17.3% to ₹16,044 lacs in financial year 2017-18. In the engineered wooden flooring business your Company clocked sales of ₹2,624 lacs for financial year 2017-18, growing by 44.8%. In the engineered wooden door sets business, sales grew by 33.2% to stand at ₹1,608 lacs. Your Company reduced operating losses for both the doors and floors business by 45% to ₹7.96 Crores.

During the financial year 2017-18, your Company recorded a growth of 4.52% in export turnover from ₹33,790.29 lacs to ₹35,316.88 lacs and export incentive decreased from ₹3,537.11 lacs to ₹2,001.14 lacs.

As per the Consolidated Financial Statements, total income and the profit after tax for the financial year 2017-18 stood at ₹1,15,735.78 lacs and ₹6,460.62 lacs respectively.

During the financial year 2017-18, your Company intensified its efforts in the area of product integration and market penetration. Your Company continued to expand its export markets for Laminates, Veneers, Engineered Wooden Flooring and Engineered Wooden Door sets.

The overall performance of the Company during financial year 2017-18, amid a challenging economic scenario, vindicates the effectiveness of the initiatives undertaken by the Greenlam Management so as to better exploit business opportunities.

Dividend

Your Directors recommend a final dividend of ₹2.50 per equity share (previous year ₹1.50 per equity share) on the Company's 2,41,36,374 equity shares of ₹5.00 each for the financial year 2017-18. The final dividend on the equity shares, if declared as above, would entail an outflow of ₹603.41 lacs towards dividend and ₹124.03 lacs towards dividend tax, resulting in a total outflow of ₹727.44 lacs.

Outlook and Expansion

The Company's outlook remains favourable on account of its product integration capabilities, growing brand popularity and the continuous support from its employees, shareholders, creditors, consumers, distributors, dealers and lenders. The Company's vision is to be a one-stop solution for all decorative surface products (in its field of operation). The Company's pan-India distribution network ensures easy availability of products in almost every part of India. The Company has a presence in over 100 countries, either directly or through its overseas subsidiaries.

The Goods and Services Tax Act ("GST") was effected on July, 2017, the biggest tax reform in Indian history, potentially bringing all indirect taxes under a uniform tax structure that will eventually create a level playing field boosting the competitiveness and build a strong case in favour of organized and tax-compliant players like us. Renewed demand in the housing sector and a growing share of the organised sector as consumers increasingly choose branded over generic products is likely to drive demand in the coming years. Implementation of GST and RERA were good moves and the upcoming E-way bill indicates that the organised laminates industry is poised for growth in the near future.

During the financial year 2017-18, the expanded capacity for Laminates at the unit of the Company situated at Nalagarh, Himachal Pradesh to manufacture an additional 2 million laminate sheets per annum has become operational w.e.f. June 05, 2017. With this addition, the total installed capacity for laminate has become 14.02 million laminate sheets per annum. The said expansion has the potential to generate revenue of ₹120.00 crores per annum on full capacity utilization.

In view of the above, your Directors are confident of achieving significantly better results in the coming year.

Credit Rating

CARE Ratings Ltd. has reaffirmed the credit rating "CARE A+; Stable" in respect of long term bank facilities of ₹237.00 crores and upgraded the credit rating for short term bank facilities of ₹260.00 crores to "CARE A1+" (Revised from "CARE A1").

Subsidiaries and its Performance

Your Company has six overseas subsidiaries viz. Greenlam Asia Pacific Pte. Ltd., Singapore, Greenlam America, Inc., USA, Greenlam Asia Pacific (Thailand) Co., Ltd., Thailand, Greenlam Holding Co., Ltd., Thailand, PT. Greenlam Asia Pacific, Indonesia and Greenlam Europe (UK) Ltd., UK.

Greenlam Asia Pacific Pte. Ltd., Singapore, is engaged in the business of trading of high-pressure decorative laminates and allied products. Greenlam America, Inc., USA, is engaged in the marketing and distribution of high-pressure laminates and allied products in North America and South America.

Further, two Thai step-down subsidiaries Greenlam Asia Pacific (Thailand) Co., Ltd. and Greenlam Holding Co., Ltd. are engaged in the business of marketing and distribution of high-pressure laminates in Thailand while the Indonesian step-down subsidiary PT. Greenlam Asia Pacific is engaged in the manufacturing of promotional material i.e. catalogues, sample folders, chain sets, wall hooks and A4 size samples. Further, UK step-down subsidiary Greenlam Europe (UK) Limited is engaged in the business of marketing and distribution of high-pressure laminates and allied products, engineered wooden flooring and engineered wooden door sets in United Kingdom.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, statement containing salient features of standalone financial statements of subsidiaries in Form AOC-I is attached as "Annexure-I".

As required under Rule 8(1) of the Companies (Accounts) Rules, 2014, the Board's Report has been prepared based on Standalone Financial Statements. During the financial year 2017-18, the net contribution of all the subsidiaries to the Company's consolidated total income, profits before tax (PBT) and profits after tax (PAT) is 7.21%, 7.11% and 8.37% respectively. The standalone turnover, PBT and PAT of each subsidiary are given in Form AOC-I.

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 would be placed on the website of the Company at www.greenlamindustries.com. Further, as per provisions of the said Section, audited Annual Accounts of each of

the subsidiary companies would also be placed on the website of the Company at www.greenlamindustries.com. Shareholders interested in obtaining a copy of the Annual Accounts of the subsidiary companies may write to the Company Secretary at the Company's corporate office or may send a mail at investor.relations@greenlam.com.

In terms of the Regulation 46(2)(h) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the policy for determining material subsidiaries is placed on the website of the Company at www.greenlamindustries.com.

Consolidated Financial Statements

Pursuant to Section 129(3) of the Companies Act, 2013, the Consolidated Financial Statements of the Company prepared in accordance with the Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard (AS)-21 on Consolidated Financial Statements is provided in the Annual Report.

Transfer to General Reserve

The Directors in their meeting held on May 28, 2018 proposed to transfer ₹500.00 lacs to the General Reserve.

Directors

Your Company has received declarations from all the Independent Directors viz. Mr. Vijay Kumar Chopra [DIN: 02103940], Ms. Urvashi Saxena [DIN: 02021303] and Ms. Sonali Bhagwati Dalal [DIN: 01105028] confirming that they meet the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Saurabh Mittal [DIN: 00273917], Managing Director & CEO of the Company, will retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

During the financial year 2017-18, there was no change in the composition of Board of Directors of the Company. None of the Directors of your Company is disqualified under the provisions of Section 164(2)(a)&(b) of the Companies Act, 2013. However, the name of Ms. Sonali Bhagwati Dalal, Independent Director of the Company was published by the Ministry of the Corporate Affairs (MCA) on its website in the list of disqualified directors under Section 164(2) of the Companies Act, 2013. Subsequently, a petition was filed by her before the Hon'ble High Court of Delhi and the Hon'ble High Court of Delhi has stayed the impugned list of Disqualified Directors to the extent it includes her name. Further, to avail the Condonation of Delay Scheme (CODS), 2018, she has filed an appeal before the National Company Law Tribunal (NCLT) for revival of the concerned defaulting company and the same is pending for disposal. In view of the pendency of the said appeal before NCLT, the Hon'ble High Court of Delhi has vide its order dated May 07, 2018 has extended the stay till disposal of the said appeal by MCA.

Changes in Share Capital

During the year under review, there was no change in the Share Capital of the Company.

Key Managerial Personnel

The details of the Key Managerial Personnel of the Company are provided as under:

Sl. No.	Name	Designation
1.	Mr. Saurabh Mittal	Managing Director & CEO
2.	Ms. Parul Mittal	Whole-time Director
3.	Mr. Ashok Kumar Sharma	Chief Financial Officer
4.	Mr. Prakash Kumar Biswal	Company Secretary & Asst. Vice President - Legal

During the financial year 2017-18, there was no change in the Key Managerial Personnel of the Company. The designation of Ms. Parul Mittal was changed w.e.f. May 25, 2017 from 'Director-Design & Marketing' to 'Whole-time Director' of the Company.

Meetings of the Board

Four (4) Board Meetings were held during the financial year ended March 31, 2018. The details of the Board Meetings with regard to their dates and attendance of each of the Directors thereat have been provided in the Corporate Governance Report.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 25(3) & (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors in their meeting held on March 23, 2018 have evaluated the Performance of Non-Independent Directors, Chairperson of the Company after considering the views of the Executive and Non-Executive Directors, Board as a whole and assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board. The Nomination and Remuneration Committee has also carried out evaluation of performance of every Director of the Company. On the basis of evaluation made by the Independent Directors and the Nomination and Remuneration Committee and by way of individual and collective feedback from the Non-Independent Directors, the Board has carried out the Annual Performance Evaluation of the Directors individually as well as evaluation of the working of the Board as a whole and Committees of the Board.

The criteria for evaluation are outlined below:

a. For Independent Directors:

- Knowledge and Skills
- Professional conduct
- Duties, role and functions
- Compliance with Code of Business Ethics and Code of Conduct of the Company
- Rendering independent and unbiased opinion and judgements
- Attendance and active participation in meetings of Board and Committees of the Board and Members of the Company
- Assistance in implementing corporate governance practices
- Updation of skills and knowledge
- Information regarding external environment
- Raising of concerns, if any, to the Board
- Study of agenda in depth prior to Meeting
- Contribution towards the formulation and implementation of strategy for achieving the goals of the Company

b. For Executive & Non-Executive Directors:

- Performance as Team Leader/Member
- Evaluating Business Opportunity and analysis of Risk Reward Scenarios
- Professional Conduct and Integrity
- Sharing of Information with the Board
- Attendance and active participation in the Board and Committee of the Board and Meetings of Members of the Company
- Whether difference of opinion was voiced in the meeting
- Whether Executive Directors were able to answer the queries raised by Independent Directors
- Compliance with Code of Business Ethics and Code of Conduct of the Company
- Assistance in implementing corporate governance practices
- Independent view on key appointments and strategy formulation
- Review of integrity of financial information and risk management
- Updation of skills and knowledge
- Information regarding external environment
- Raising of concerns, if any, to the Board
- Assistance in formulation of statutory and non-statutory policies for the Company
- Ensures implementation of decisions of the Board
- Ensures compliance with applicable legal and regulatory requirements
- Alignment of Company's resources and budgets to the implementation of the organization's strategic plan
- Creativity and innovations in creating new products
- Understanding of the business and products of the Company

c. For Committees of the Board:

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

d. For Board of Directors as a whole:

- Setting of clear performance objectives and how well it has performed against them
- Contribution to the testing and development and strategy
- Contribution to ensuring robust and effective risk management
- Composition of the board and its committees appropriate with the right mix of knowledge and skills sufficient to maximize performance in the light of future strategy
- Effectiveness of inside and outside Board relationship
- Responding to the problems or crises that have emerged

- Relationship between Board and its Committees and between committees themselves
- Communication with employees and others
- Updation with latest developments in regulatory environments and the market in which the Company operates
- Role and functioning of the Board on the matters pertaining to financial reporting and internal controls
- Contribution of the Board for ensuring that the Company adheres to the statutory and regulatory compliances as applicable to the Company

The Directors expressed their satisfaction with the evaluation process.

Audit Committee

As on March 31, 2018, the Audit Committee of the Company comprises of three Independent Directors with Mr. Vijay Kumar Chopra as Chairman and Ms. Urvashi Saxena and Ms. Sonali Bhagwati Dalal as members and one promoter Director Mr. Saurabh Mittal, Managing Director & CEO of the Company. The Committee, inter alia, reviews the Internal Control System and Reports of Internal Auditors and Compliance of various Regulations. The brief terms of reference of the Committee and the details of the Committee meetings are provided in the Corporate Governance Report. The Committee also reviews the Financial Statements before they are placed before the Board.

Nomination and Remuneration Committee

As on March 31, 2018, the Nomination and Remuneration Committee comprises of two Independent Directors with Mr. Vijay Kumar Chopra as Chairman and Ms. Urvashi Saxena as member and also one Non-Executive Director Mr. Shiv Prakash Mittal as member. The Committee, inter alia, identifies persons who are qualified to become directors and who may be appointed in senior management. The brief terms of reference of the Committee and the details of the Committee meetings are provided in the Corporate Governance Report.

Stakeholders' Relationship Committee

As on March 31, 2018, the Stakeholders' Relationship Committee comprises of one Non-Executive Director Mr. Shiv Prakash Mittal as Chairman and one Executive Director Mr. Saurabh Mittal as member. The Committee, inter alia, reviews the grievance of the security holders of the Company and redressal thereof. The brief terms of reference of the Committee and the details of the Committee meetings are provided in the Corporate Governance Report.

Vigil Mechanism

Pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a 'Whistle Blower Policy' to establish Vigil Mechanism for directors and employees to report genuine concerns has been framed. The policy is revised from time to time to realign it with applicable regulations or organisations suitability. The latest policy is available on the website of the Company. This policy provides a platform to disclose information, confidentially and without fear of reprisal or victimization, where there is reason to believe that there has been serious malpractice, fraud, impropriety, abuse or wrong doing within the Company. The Company ensures that no personnel have been denied access to the Audit Committee.

Risk Management

During the financial year 2015-16, your Company appointed an Independent Agency to identify the various risks pertaining to different businesses and functions of the Company and to assist the Company in framing and implementing the Risk Mitigation Programme.

Your Company has adopted a mechanism to identify, assess, monitor and mitigate various risks associated with key business operations. Major risks elements associated with the businesses and functions of the Company have been identified and are being addressed systematically through mitigating actions on a continuing basis. In the meetings of Audit Committee held during the financial year 2017-18, the Committee members have reviewed identified risk elements and have expressed their satisfaction over the risk mitigation measures adopted by the Company.

Statement in respect of adequacy of Internal Financial Controls with reference to the Financial Statements

The Directors had laid down Internal Financial Controls procedures to be followed by the Company which ensure compliance with various policies, practices and statutes in keeping with the organization's pace of growth and increasing complexity of operations for orderly and efficient conduct of its business. The Audit Committee of the Board, from time to time, evaluated the adequacy and effectiveness of internal financial control of the Company with regard to:-

1. Systems have been laid to ensure that all transactions are executed in accordance with management's general and specific authorization. There are well-laid manuals for such general or specific authorization.
2. Systems and procedures exist to ensure that all transactions are recorded as necessary to permit preparation of Financial Statements in conformity with Generally Accepted Accounting Principles or any other criteria applicable to such statements, and to maintain accountability for aspects and the timely preparation of reliable financial information.
3. Access to assets is permitted only in accordance with management's general and specific authorization. No assets of the Company are allowed to be used for personal purposes, except in accordance with terms of employment or except as specifically permitted.
4. The existing assets of the Company are verified/ checked at reasonable intervals and appropriate action is taken with respect to 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.

Corporate Social Responsibility

The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy may be accessed on the Company's website at the link https://www.greenlamindustries.com/pdf-file/CorporateSocialResponsibilityPolicy.pdf

The composition of the CSR Committee is provided in the Annual Report on CSR activities. The Average Net Profits of the Company for the last three financial years is ₹56,64,32,894.81 and accordingly the prescribed CSR expenditure during the year under review shall not be less than ₹1,13,28,657.90 (i.e. 2% of the Average Net Profits of the Company for the last three financial years). The Annual Report on CSR activities is annexed as "Annexure II" to this Report.

Policy on Nomination and Remuneration

The summary of Remuneration Policy of the Company prepared in accordance with the provisions of Section 178 of the Companies Act, 2013 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the Corporate Governance Report. The Remuneration Policy is approved by the Board of Directors and is uploaded on the website of the Company. The web link to the Remuneration Policy is as under: https://www.greenlamindustries.com/pdf-file/Remuneration-Policy.pdf

Particulars of contracts or arrangements with related parties

Related party transactions that were entered into during the financial year 2017-18, were on arm's length basis and were in ordinary course of business. The particulars of material related party transactions which were entered into on arm's length basis are provided in Form AOC-2 as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 which is annexed herewith as "Annexure-III". There are no materially significant related party transactions made by the Company which may have potential conflict with the interest of the Company. The Board has approved a policy for material related party transactions which has been uploaded on the Company's website. The web-link to the Policy on Related Party Transactions as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as under: https://www.greenlamindustries.com/pdf-file/Related_Party_Transaction_Policy.pdf

Directors' Responsibility Statement

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

a) In preparation of the annual accounts for the financial year ended March 31, 2018, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

b) The Directors have selected such Accounting Policies as listed in Note 1 to the Financial Statements and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year as on March 31, 2018 and of the profits of the Company for that period;

c) The Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The Directors have prepared the annual accounts on a going concern basis;

e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;

f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Material Changes

There have been no material changes and commitments affecting the financial position of the Company since

the close of financial year i.e. since March 31, 2018 and the date of this report. Further, it is hereby confirmed that there has been no change in the nature of business of the Company.

Insurance

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

Public deposits

During the period under review, the Company did not invite or accept any deposits from the public in terms of Chapter V of the Companies Act, 2013.

Listing of shares

The Equity Shares of the Company are listed on the BSE Limited (BSE) with scrip code No. 538979 and on National Stock Exchange of India Limited (NSE) with scrip symbol GREENLAM. The Company confirms that the annual listing fees to both the stock exchanges for the financial year 2018-19 have been duly paid.

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

Details of Loans granted, Guarantees given and Investments made during the year under review, covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Financial Statements of the Company forms part of this Annual Report.

Auditors and their Report

(a) Statutory Auditors:

In compliance with the Companies (Audit and Auditors) Rules, 2014, M/s. D. Dhandaria & Company, Chartered Accountants, has been appointed as Statutory Auditors of the Company till the conclusion of 6th Annual General Meeting (AGM), as approved by the members at their 1st Annual General Meeting held on October 30, 2014. The Statutory Auditors' Report on the Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2018 form part of this Annual report.

(b) Secretarial Auditors:

The Board of Directors of the Company at their meeting held on February 06, 2018 appointed Ms. Suhita Mukhopadhyay, Practicing Company Secretary of M/s. L. G. Corp Law having office at D-12 LGF, Lajpat Nagar, New Delhi-110024 for conducting the Secretarial Audit of the Company for the financial year 2017-18. The Secretarial Audit Report in Form MR-3 for the financial year ended March 31, 2018, is annexed herewith as "Annexure-IV".

(c) Cost Auditors:

Your Company was not required to appoint Cost Auditor for the financial year ended March 31, 2018.

(d) Internal Auditor:

Mr. Rakesh Kumar Budhiraja, President-Internal Audit of the Company, has been appointed as Internal Auditor of the Company to carry out internal audit of Branches, offices and manufacturing Units of the Company. The Audit Committee quarterly reviews the Internal Audit report.

Response to Auditors' Remarks

There is no qualification, reservation, adverse remark or disclaimer by the Statutory Auditors or by the Secretarial Auditor in their Statutory Audit Report and Secretarial Audit Report, respectively and hence, no explanation or comments of the Board is required in this matter.

Extract of Annual Return

The extract of Annual Return required under Section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, is provided in Form MGT-9 as "Annexure-V" to this report.

Corporate Governance Report

A detailed Report on Corporate Governance for the financial year 2017-18 pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with an Auditors' Certificate on compliance with the conditions of Corporate Governance is annexed to this report.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report for the financial year 2017-18, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given as a separate statement in the Annual Report.

CEO and CFO Certification

Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO and CFO certification as specified in Part B of Schedule II thereof is attached with the Annual Report. The Managing Director & CEO and the Chief Financial Officer also provide quarterly certification on Financial Results while placing the Financial Results before the Board in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Code of Conduct for Directors and Senior Management Personnel

The Code of Conduct for Directors and Senior Management Personnel is posted on the Company's website. The 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 financial year ended on March 31, 2018. Declaration is attached with the Annual Report.

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 herewith as "Annexure-VI".

Particulars of employees

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

Fraud Reporting

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

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

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

Details of significant and material orders passed by the regulators/courts/tribunals impacting the going concern status and the Company's operations in future

During the period under review, there were no significant and material orders passed by any regulator/court/tribunal impacting the going concern status and the Company's operations in future.

Acknowledgement

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. Directors also place on record their heartfelt appreciation for employees of the Company for their dedication and contribution.

For and on behalf of the Board of Directors

Shiv Prakash Mittal
Non-Executive Chairman
[DIN: 00237242]

Place: New Delhi
Date: May 28, 2018

Annexures to the Directors' Report

Annexure-I

Form AOC-I

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 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014]

Sr. No.	Part "A": Subsidiaries	₹	
1.	Name of the subsidiary	Greenlam Asia Pacific Pte. Limited.	Greenlam America, Inc.
2.	Date of Acquisition*	February 27, 2015	March 16, 2015
3.	Reporting period for the subsidiary	March 31, 2018	March 31, 2018
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year	US$ (₹65.00500)	US$ (₹65.00500)
5.	Share Capital	180,640,119.33	104,008,000.00
6.	Reserves & Surplus	7,385,933.11	52,808,631.89
7.	Total Assets	595,560,988.86	255,249,608.08
8.	Total Liabilities	407,534,936.43	98,432,976.19
9.	Investments	19,368,954.81	NIL
10.	Turnover	1,607,984,221.58	861,237,203.92
11.	Profit before taxation	32,598,772.41	26,684,487.50
12.	Provision for taxation	(1,544,778.82)	NIL
13.	Profit after taxation	31,053,993.59	26,684,487.50
14.	Proposed Dividend	NIL	NIL
15.	% of shareholding	100%	100%

Sr. No.	Part "A": Subsidiaries	₹	
1.	Name of the subsidiary	Greenlam Europe (UK) Limited	Greenlam Asia Pacific (Thailand) Co., Limited
2.	Date of Acquisition*	February 27, 2015	February 27, 2015
3.	Reporting period for the subsidiary	March 31, 2018	March 31, 2018
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year	GBP (₹91.35800)	THB (₹2.08450)
5.	Share Capital	17,200,884.24	8,338,000.00
6.	Reserves & Surplus	(166,317,878.51)	23,144,152.49
7.	Total Assets	74,505,189.74	187,518,856.54
8.	Total Liabilities	223,622,184.01	156,036,704.04
9.	Investments	NIL	1,042,250.00
10.	Turnover	270,055,070.22	802,077,995.68
11.	Profit before taxation	(7,333,215.30)	6,182,011.53
12.	Provision for taxation	NIL	(1,816,312.86)
13.	Profit after taxation	(7,333,215.30)	4,365,698.67
14.	Proposed Dividend	NIL	NIL
15.	% of shareholding	100%	97.50%

Sr. No.	Part "A": Subsidiaries	₹	
1.	Name of the subsidiary	Greenlam Holding Co., Ltd.	PT. Greenlam Asia Pacific
2.	Date of Acquisition*	February 27, 2015	February 27, 2015
3.	Reporting period for the subsidiary	March 31, 2018	March 31, 2018
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year	THB (₹2.08450)	IDR (₹0.00472)
5.	Share Capital	2,084,500.00	11,382,091.20
6.	Reserves & Surplus	(1,171,712.52)	3,211,266.36
7.	Total Assets	4,179,134.65	15,056,960.32
8.	Total Liabilities	3,266,347.17	463,602.76
9.	Investments	4,169,000.00	NIL
10.	Turnover	NIL	11,947,492.74
11.	Profit before taxation	(61,098.36)	456,181.88
12.	Provision for taxation	NIL	(119,542.16)
13.	Profit after taxation	(61,098.36)	336,639.72
14.	Proposed Dividend	NIL	NIL
15.	% of shareholding	99%	99%

** the date of acquisition of controlling interest upon transfer of shareholding pursuant to the Composite Scheme of Arrangement under Section 101 to 104 and Section 391 to 394 of the Companies Act, 1956, between Greenply Industries Limited and Greenlam Industries Limited and their respective creditors and shareholders, for demerger of the "Decorative Business" of Greenply Industries Limited, approved by Guwahati High Court. However, the said Scheme was effective from November 17, 2014 (Appointed date being April 01, 2013).*

Notes:

1. Name of the Subsidiaries which are yet to commence operations:- None
2. Names of subsidiaries which have been liquidated or sold during the year :- None

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

The Company has no Associate or Joint Venture Company.

For and on behalf of Board of Directors

Shiv Prakash Mittal	**Saurabh Mittal**	**Ashok Kumar Sharma**	**Prakash Kumar Biswal**
Non-Executive Chairman	*Managing Director & CEO*	*Chief Financial Officer*	*Company Secretary & Asst. Vice President - Legal*
[DIN: 00237242]	[DIN: 00273917]		

Annexure-II

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

   Brief outline of the CSR Policy

   Greenlam Industries Limited has always strived to make a difference, specifically to the society by contributing to the economic development of the Country and improving the quality of life of the vulnerable communities. We strive to strengthen our corporate citizenship through engagements with various NGOs working in the fields of health, education, environment and vocational training.

   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. Promoting health care including preventive health care and sanitation and making available safe drinking water;
   3. Promoting gender equality, empowering women, setting-up homes and hostels for women and orphans.

   CSR Policy is stated herein below:

   'https://www.greenlamindustries.com/pdf-file/CorporateSocialResponsibilityPolicy.pdf'

2. **The Composition of the CSR Committee:**

   Mr. Saurabh Mittal - Chairman (Executive Director)

   Mr. Shiv Prakash Mittal - Member (Non-Executive Director)

   Ms. Sonali Bhagwati Dalal - Member (Independent Director)

   Ms. Parul Mittal - Member (Executive Director)

3. **Average net profits of the Company for last three financial years:** ₹56,64,32,894.81

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

   The Company was required to spend ₹1,13,28,657.90 towards CSR during the financial year under review.

5. **Details of CSR spent during the financial year:**

   (a) Total amount spent for the financial year under review: ₹1,13,49,996.00

   (b) Amount unspent, if any: Nil

   (c) Manner in which the amount spent during the financial year 2017-18 is detailed below:

Sl. No.	CSR Project or activity Identified	Sector in which the Project is Covered	Projects or Programs (1) Local area or other (2) Specify the State and District where projects or Programs was undertaken	Amount Outlay (Budget) Project or Programs wise	Amount Spent on the projects or Programs Sub-heads: (1) Direct Expenditure on projects or programs (2) Overheads	Cumulative Expenditure up to the Reporting Period	Amount Spent Direct or through implementing Agency*
1.	Support for education and overall development of young, orphan and neglected girls, in the age group of 07-15 years at Greenlam Udayan Ghar in Ghaziabad.	Promoting education including special education and employment enhancing vocation skills especially among children (mainly girl child) and livelihood enhancement projects.	Ghaziabad, Uttar Pradesh	₹28,50,014.00	₹28,50,014.00	₹72,09,124.00	Udayan Care, A Charitable Trust
2.	Support for strengthening and empowering the marginalized and vulnerable communities in Rani Block of District Pali and Ladnun Block of District Nagaur, mainly focusing on lactating mothers and adolescents	Promoting health care including preventive health care and sanitation.	District Pali & Nagaur in Rajasthan	₹17,06,380.00	₹17,06,380.00	₹85,04,782.00	Mamta-Health Institute for Mother & Child
3.	Support for strengthening and empowering communities, mainly focusing on improving health and nutrition of mother, new born child and adolescents and promoting entrepreneur development program among identified young people.	Promoting health care including preventive health care and sanitation.	Behror, Rajasthan	₹33,96,802.00	₹33,96,802.00	₹38,96,367.00	Mamta-Health Institute for Mother & Child
4.	Support for promotion of education, health and livelihood.	Promoting education and health care including preventive health care and sanitation.	Nalagarh, Himachal Pradesh	₹33,96,800.00	₹33,96,800.00	₹39,97,280.00	SARD-Society for All Round Development
	Total			**₹1,13,49,996.00**	**₹1,13,49,996.00**	**₹2,36,07,553.00**	

*Details of Implementing Agency:

a) **Udayan Care, A Charitable Trust**

Udayan Care is a registered Public Charitable Trust since 1994. Udayan Care's initiatives are focused towards regenerating the rhythm of life of the disadvantaged. Through the power of mentorship, it nurtures children who are orphaned and abandoned in the warmth of a family at Udayan Ghars, its long-term

foster homes; ensures young girls higher education through our education fellowships; enables underserved youth and adults to improve their employability skills in its IT & vocational training centres; and creates long term buddies through Big Friend Little Friend Programme for these children.

b) **MAMTA-Health Institute for Mother & Child**
Mamta-Health Institute for Mother & Child is a Non-Government Organisation registered under Societies Registration Act, 1860. Mamta works for the cause of community development and is engaged, inter alia, amongst other activities in capacity building, community action, system strengthening, research and evidence building with a gender and rights perspectives in a cost effective and sustainable approach that empowers the marginalised and vulnerable communities in resource-poor settings of India.

c) **SARD-Society for All Round Development**
SARD is a Non-Government Organisation registered under Societies Registration Act, 1860 at New Delhi, established with a mission to empower the deprived section of society, especially women, through the promotion of education, health care, skill development and sustainable economic activities.

6. **In case the Company has failed to spend the two per cent of the average net profits of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board's report:** The Company has spent the required amount on CSR activities.

7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:** The implementation and monitoring of the CSR Policy is in compliance with CSR objectives and Policy of the Company.

Saurabh Mittal
Managing Director & CEO
Chairman - CSR Committee
[DIN: 00273917]

Annexure-III

Form No. AOC-2

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

1. **Details of contracts or arrangements or transactions not at arm's length basis:** Nil
2. **Details of material contracts or arrangement or transactions at arm's length basis are given below:**

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transaction	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.	Greenlam Asia Pacific Pte. Ltd. (Wholly-owned subsidiary)	Arrangement for sale of products	For the financial year 2014-15 and subsequent years	On mutually agreed terms up to sale value of ₹1,15,46,00,232.00 during financial year 2017-18.	February 02, 2015	Nil

For and on behalf of the Board of Directors

Shiv Prakash Mittal
Non-Executive Chairman
[DIN: 00237242]

Place: New Delhi
Date: May 28, 2018

Annexure-IV

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2018

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

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Greenlam Industries Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2018** complied with the statutory provisions listed hereunder, adhered to good corporate practices and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2018** according to the provisions of:

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

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

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

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

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

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

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the audit period);

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014 (Not applicable to the Company during the audit period);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the audit period);

(f) 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 to the extent of securities issued;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period) and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period)

I further report that, having regard to the compliance system prevailing in the Company and relying on the representation made by the Company and its officers, the Company has complied with other applicable laws, as informed and certified by the Management of the Company, which are specifically applicable to the Company;

1. Environment Protection Act, 1986
2. Water (Prevention and Control of Pollution) Act, 1974
3. Air (Prevention and Control of Pollution) Act, 1981

4. The Explosives Act,1884
5. Hazardous Waste (Management, Handling and Trans boundary Movement) Rules, 2008
6. The Indian Boilers Act, 1923 and rules and regulations thereunder
7. The Petroleum Act, 1934
8. Legal Metrology Act, 2009 and rules and regulations thereunder
9. The Rajasthan Factories Rules,1951 and The Himachal Pradesh Factory Rules,1950
10. Indian Forest Act, 1927, Rajasthan Forest Act, 1953, The Rajasthan Forest Produce (Establishment and Regulations of Saw Mills) Rules, 1983

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

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

I further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. However the name of Ms. Sonali Bhagwati Dalal, Independent Director of the Company was published by the Ministry of the Corporate Affairs (MCA) on its website in the list of directors disqualified under Section 164(2) of the Companies Act, 2013. Pursuant to her petition, the Hon'ble High Court of Delhi has stayed the impugned list of Disqualified Directors to the extent it includes her name. To avail the Condonation of Delay Scheme (CODS), 2018, she has filed an appeal before the National Company Law Tribunal (NCLT) for revival of the concerned defaulting company and the same is pending for disposal. In view of the pendency of the said appeal before NCLT, the Hon'ble High Court of Delhi has vide its order dated May 07, 2018 has extended the stay till disposal of the said appeal by MCA.

   The changes, if any, in the composition of the Board of Directors and Board Committees that took place during the period under review were carried out in compliance with the provisions of the Act.
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. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

I further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), I am of the opinion that there are adequate systems and processes in place in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

As informed, the Company has responded appropriately to notices received from various statutory/regulatory Authorities including initiating actions for corrective measures, wherever found necessary.

I further report that during the audit period, the Company has no specific events/actions having a major bearing on the Company's affairs in pursuance except as follows:

The Company has expanded the manufacturing capacity of laminates at the Unit of the Company at Nalagarh, Himachal Pradesh to manufacture additional 2 million laminates sheets per annum which became operational during the period under review.

Place: New Delhi
Date: May 28, 2018

(Suhita Mukhopadhyay)
Practising Company Secretary
C P No.: 14738

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

Annexure-A

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

My Secretarial Audit Report for the financial year 31st March 2018 is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain the secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. My responsibility is to express an opinion on these secretarial audit reports based on the audit.
3. My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
4. I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for me to provide a basis for my opinion.
5. Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate Laws and other applicable laws, rules, regulations, guidelines, standards, etc. is the responsibility of management. My examination was limited to the verification of procedure on test basis.

Disclaimer

7. 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.
8. I have not verified the correctness and appropriateness of financial records and books of account of the Company.

Place: New Delhi
Date: May 28, 2018

(Suhita Mukhopadhyay)
Practising Company Secretary
C P No.: 14738

Annexure-V

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on March 31, 2018

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L21016AS2013PLC011624
2.	Registration Date	August 12, 2013
3.	Name of the Company	GREENLAM INDUSTRIES LIMITED
4.	Category/Sub-category of the Company	Public Company limited by shares
5.	Address of the Registered office & contact details	Makum Road, Tinsukia, Assam-786125 Phone No.: +91 11 4279 1399, Fax No.: +91 11 4279 1330 Email: investor.relations@greenlam.com Website: www.greenlamindustries.com
6.	Whether listed Company	Yes, listed on BSE Limited and National Stock Exchange of India Ltd.
7.	Name, Address & contact details of the Registrar & Share Transfer Agent	Link Intime India Pvt. Ltd. 44, Community Centre, 2nd floor Naraina Industrial Area, Phase-1 Near PVR Naraina, New Delhi-110028 Phone No.: +91 11 4141 0592, Fax No.: +91 11 4141 0591 Email: delhi@linkintime.co.in Website: www.linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sl. No.	Name and Description of main products/services	NIC Code (2008) of the Product/service	% to total turnover of the Company
1.	Laminates & Allied Products	16219	84.38%
2.	Decorative Veneer & Allied Products	16211	15.62%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of share held	Applicable Section
1.	Greenlam Asia Pacific Pte. Limited	Not Applicable	Subsidiary	100%	2(87)(ii)
2.	Greenlam America, Inc.	Not Applicable	Subsidiary	100%	2(87)(ii)
3.	Greenlam Europe (UK) Limited	Not Applicable	Subsidiary	100%	2(87)(ii)
4.	Greenlam Asia Pacific (Thailand) Co., Ltd.	Not Applicable	Subsidiary	97.5%	2(87)(ii)
5.	Greenlam Holding Co., Limited	Not Applicable	Subsidiary	99%	2(87)(ii)
6.	PT. Greenlam Asia Pacific	Not Applicable	Subsidiary	99%	2(87)(ii)

IV. SHARE HOLDING PATTERN:

[Equity Share Capital Breakup as percentage of Total Equity]

A. Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2017]				No. of Shares held at the end of the year [As on March 31, 2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters & Promoter Group									
(1) Indian									
a) Individual/HUF	4246514	-	4246514	17.59	4246514	-	4246514	17.59	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	8966114	-	8966114	37.15	8966114	-	8966114	37.15	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):	13212628	-	13212628	54.74	13212628	-	13212628	54.74	-
(2) Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2):	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	**13212628**	**-**	**13212628**	**54.74**	**13212628**	**-**	**13212628**	**54.74**	**-**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	2268516	-	2268516	9.40	3067470	-	3067470	12.71	3.31
b) Banks/FI	970	-	970	-	1647	-	1647	0.01	0.01
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	25658	-	25658	0.11	-	-	-	-	(0.11)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Alternate Investment Fund	-	-	-	-	490021	-	490021	2.03	2.03
Sub-total (B)(1):	**2295144**	**-**	**2295144**	**9.51**	**3559138**	**-**	**3559138**	**14.75**	**5.24**
(2) Non-Institutions									
a) Bodies Corporate	224156	-	224156	0.93	279234	-	279234	1.16	0.23
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to ₹1 lakh	828320	21043	849363	3.52	902417	15696	918113	3.80	0.28
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	3301442	-	3301442	13.68	2874709	-	2874709	11.91	(1.77)
c) Others									
a. Non Resident Indians	45280	-	45280	0.19	84846	-	84846	0.35	0.16
ii. Foreign Nationals	500	-	500	-	500	-	500	-	-
iii. Clearing Members	1725	-	1725	-	7079	-	7079	0.03	0.03
iv. Foreign Company	1901342	-	1901342	7.88	1901342	-	1901342	7.88	-
v. Foreign Portfolio Investors	1610794	-	1610794	6.67	770138	-	770138	3.19	(3.48)
vi. Trusts	3586	-	3586	0.01	1023	-	1023	-	(0.01)
vii. HUFs	680943	-	680943	2.82	518153	-	518153	2.15	(0.67)
viii. Unclaimed Suspense Account	9471	-	9471	0.04	9471	-	9471	0.04	-
Sub-total (B)(2):	**8607559**	**21043**	**8628602**	**35.75**	**7348912**	**15696**	**7364608**	**30.51**	**(5.24)**
Total Public Shareholding (B) = (B) (1)+(B) (2)	**10902703**	**21043**	**10923746**	**45.26**	**10908050**	**15696**	**10923746**	**45.26**	**-**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**24115331**	**21043**	**24136374**	**100.00**	**24120678**	**15696**	**24136374**	**100.00**	**-**

B) Shareholding of Promoters & Promoter Group

Sl. No.	Shareholders' Name	Category	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.	Mr. Saurabh Mittal	Promoter	3206534	13.29	-	3206534	13.29	-	0.00
2.	Mr. Shiv Prakash Mittal	Promoter Group	506000	2.10	-	506000	2.10	-	0.00
3.	Ms. Parul Mittal	Promoter Group	478800	1.98	-	478800	1.98	-	0.00
4.	Ms. Santosh Mittal	Promoter Group	55180	0.23	-	55180	0.23	-	0.00
5.	Greenply Leasing & Finance Private Limited	Promoter Group	2724481	11.29	-	8966114	37.15	-	25.86

C) Change in Promoters & Promoter Group Shareholding

Sl. No.	Particulars	Category	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	**Mr. Saurabh Mittal**	Promoter				
	At the beginning of the year		3206534	13.29	3206534	13.29
	Changes during the year		-	-	-	-
	At the end of the year				3206534	13.29
2.	**Mr. Shiv Prakash Mittal**	Promoter Group				
	At the beginning of the year		506000	2.10	506000	2.10
	Changes during the year		-	-	-	-
	At the end of the year				506000	2.10
3.	**Ms. Parul Mittal**	Promoter Group				
	At the beginning of the year		478800	1.98	478800	1.98
	Changes during the year		-	-	-	-
	At the end of the year				478800	1.98
4.	**Ms. Santosh Mittal**	Promoter Group				
	At the beginning of the year		55180	0.23	55180	0.23
	Changes during the year		-	-	-	-
	At the end of the year				55180	0.23
5.	**Greenply Leasing & Finance Private Limited**	Promoter Group				
	At the beginning of the year		2724481	11.29	2724481	11.29
	Changes during the year:					
	On 19.06.2017, 6241633 equity shares were acquired pursuant to Scheme of Arrangement		-	-	8966114	37.15
	At the end of the year				8966114	37.15

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters & Promoter Group and Holders of GDRs and ADRs):

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	**HDFC Trustee Company Ltd.**				
	At the beginning of the year	1779376	7.37	1779376	7.37
	Changes during the year:				
	On 16.02.2018 acquired 295000 shares.	-	-	2074376	8.59
	On 23.02.2018 acquired 100000 shares.	-	-	2174376	9.01
	At the end of the year			2174376	9.01
2.	**Westbridge Crossover Fund, LLC**				
	At the beginning of the year	1901342	7.88	1901342	7.88
	Changes during the year	-	-	-	-
	At the end of the year			1901342	7.88
3.	**Mr. Ashish Dhawan**				
	At the beginning of the year	1680969	6.96	1680969	6.96
	Changes during the year:				
	On 26.01.2018 transferred 92879 shares.	-	-	1588090	6.58
	On 16.02.2018 transferred 225248 shares.	-	-	1362842	5.65
	At the end of the year			1362842	5.65
4.	**IDFC Premier Equity Fund**				
	At the beginning of the year	-	-	-	-
	Changes during the year:				
	On 12.01.2018 acquired 518474 shares.	-	-	518474	2.15
	On 02.02.2018 acquired 587 shares.	-	-	519061	2.15
	On 09.03.2018 acquired 2102 shares.	-	-	521163	2.16
	On 23.03.2018 acquired 2000 shares.	-	-	523163	2.17
	On 31.03.2018 acquired 408 shares.	-	-	523571	2.17
	At the end of the year			523571	2.17
5.	**DSP Blackrock Core Fund**				
	At the beginning of the year	489140	2.03	489140	2.03
	Changes during the year:				
	On 12.05.2017 acquired 881 shares.	-	-	490021	2.03
	At the end of the year			490021	2.03
6.	**Akash Bhanshali**				
	At the beginning of the year	396771	1.64	396771	1.64
	Changes during the year	-	-	-	-
	At the end of the year			396771	1.64
7.	**Jwalamukhi Investment Holdings**				
	At the beginning of the year	1281634	5.31	1281634	5.31
	Changes during the year:				
	On 12.01.2018 transferred 530000 shares.	-	-	751634	3.11
	On 19.01.2018 transferred 356994 shares.	-	-	394640	1.64
	At the end of the year	-	-	394640	1.64
8.	**Sundaram Mutual Fund**				
	At the beginning of the year	-	-	-	-
	Changes during the year:				
	On 19.01.2018 acquired 367094 shares.	-	-	367094	1.52
	On 02.02.2018 acquired 277 shares.	-	-	367371	1.52
	On 09.03.2018 acquired 107 shares.	-	-	367478	1.52
	On 16.03.2018 acquired 439 shares.	-	-	367917	1.52
	On 23.03.2018 acquired 1576 shares.	-	-	369493	1.53
	On 31.03.2018 acquired 30 shares.	-	-	369523	1.53
	At the end of the year			369523	1.53
9.	**Akhil Dhawan**				
	At the beginning of the year	455612	1.89	455612	1.89
	Changes during the year:				
	On 15.12.2017 transferred 2185 shares.	-	-	453427	1.88
	On 22.12.2017 transferred 760 shares.	-	-	452667	1.88
	On 29.12.2017 transferred 2730 shares.	-	-	449937	1.86
	On 12.01.2018 transferred 39314 shares.	-	-	410623	1.70
	On 19.01.2018 transferred 6686 shares.	-	-	403937	1.67
	On 09.02.2018 transferred 40000 shares.	-	-	363937	1.51
	On 23.03.2018 transferred 11 shares.	-	-	363926	1.51
	At the end of the year			363926	1.51
10.	**Vallabh Roopchand Bhanshali**				
	At the beginning of the year	319100	1.32	319100	1.32
	Changes during the year	-	-	-	-
	At the end of the year			319100	1.32

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

E) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	**Mr. Shiv Prakash Mittal, Non-Executive Chairman**				
	At the beginning of the year	506000	2.10	506000	2.10
	Changes during the year	-	-	-	-
	At the end of the year	-	-	506000	2.10
2.	**Mr. Saurabh Mittal, Managing Director & CEO**				
	At the beginning of the year	3206534	13.29	3206534	13.29
	Changes during the year	-	-	-	-
	At the end of the year	-	-	3206534	13.29
3.	**Ms. Parul Mittal, Whole-time Director**				
	At the beginning of the year	478800	1.98	478800	1.98
	Changes during the year	-	-	-	-
	At the end of the year	-	-	478800	1.98
4.	**Mr. Vijay Kumar Chopra, Independent Director**				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Changes during the year	-	-	-	-
	At the end of the year	-	-	Nil	Nil
5.	**Ms. Urvashi Saxena, Independent Director**				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Changes during the year	-	-	-	-
	At the end of the year	-	-	Nil	Nil
6.	**Ms. Sonali Bhagwati Dalal, Independent Director**				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Changes during the year	-	-	-	-
	At the end of the year	-	-	Nil	Nil
7.	**Mr. Ashok Kumar Sharma, Chief Financial Officer**				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Changes during the year	-	-	-	-
	At the end of the year	-	-	Nil	Nil
8.	**Mr. Prakash Kumar Biswal, Company Secretary & Asst. Vice President - Legal**				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Changes during the year	-	-	-	-
	At the end of the year	-	-	Nil	Nil

V. INDEBTEDNESS:

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

(Amount in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,64,36,27,941.00	Nil	Nil	1,64,36,27,941.00
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	77,53,223.00	Nil	Nil	77,53,223.00
Total (i+ii+iii)	**1,65,13,81,164.00**	**Nil**	**Nil**	**1,65,13,81,164.00**
Change in Indebtedness during the financial year				
Addition	50,00,00,000.00	15,00,00,000.00	Nil	65,00,00,000.00
Reduction	31,85,42,633.53	Nil	Nil	31,85,42,633.53
Net Change	**18,14,57,366.47**	**15,00,00,000.00**	**Nil**	**33,14,57,366.47**
Indebtedness at the end of the financial year				
i) Principal Amount	1,82,50,85,307.96	15,00,00,000.00	Nil	1,97,50,85,307.96
ii) Interest due but not paid	NIL	Nil	Nil	NIL
iii) Interest accrued but not due	5,72,701.02	Nil	Nil	5,72,701.02
Total (i+ii+iii)	**1,82,56,58,008.98**	**15,00,00,000.00**	**Nil**	**1,97,56,58,008.98**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. Saurabh Mittal, Managing Director & CEO	Ms. Parul Mittal, Whole-time Director	
1.	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	2,40,00,000.00	1,20,00,000.00	3,60,00,000.00
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under Section 17(3) of the Income- tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
4.	Sweat Equity	Nil	Nil	Nil
4.	Commission - as % of profit - others	 2,33,45,000.00* Nil	 1,42,95,000.00* Nil	 3,76,40,000.00* Nil
5.	Others (Contribution to Provident Fund)	24,48,000.00	14,40,000.00	38,88,000.00
	Total (A)	**4,97,93,000.00**	**2,77,35,000.00**	**7,75,28,000.00**
	Ceiling as per the Act^	4,97,93,000.00	4,97,93,000.00	9,95,86,000.00

^being 5% of net profits of the Company calculated as per Section 198 of the Companies Act, 2013.
** not yet paid*

B. Remuneration to other Directors

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Shiv Prakash Mittal, Non-Executive Chairman	Mr. Vijay Kumar Chopra, Independent Director	Ms. Urvashi Saxena, Independent Director	Ms. Sonali Bhagwati Dalal, Independent Director	
1.	Independent Directors					
	Fee for attending Board and committee meetings	N.A.	3,50,000.00*	3,50,000.00*	2,80,000.00*	9,80,000.00*
	Commission	N.A.	10,00,000.00**	10,00,000.00**	10,00,000.00**	30,00,000.00**
	Others	N.A.	Nil	Nil	Nil	Nil
	Total (1)	N.A.	13,50,000.00	13,50,000.00	12,80,000.00	39,80,000.00
2.	Other Non-Executive Directors					
	Fee for attending Board committee meetings	Nil	N.A.	N.A.	N.A.	Nil
	Commission	Nil	N.A.	N.A.	N.A.	Nil
	Others	Nil	N.A.	N.A.	N.A.	Nil
	Total (2)	Nil	N.A.	N.A.	N.A.	Nil
	Total (B)=(1+2)	Nil	13,50,000.00	13,50,000.00	12,80,000.00	39,80,000.00
	Total Managerial Remuneration					8,15,08,000.00#
	Overall Ceiling as per the Act					10,95,44,600.00@

**excluding applicable tax.*

***not yet paid*

 # Total remuneration to the Managing Director & CEO, Whole-time Director and other Directors (being the total of A & B)

@ being 11% of net profits of the Company calculated as per Section 198 of the Companies Act, 2013.

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

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Ashok Kumar Sharma, Chief Financial Officer	Mr. Prakash Kumar Biswal, Company Secretary & Asst. Vice President - Legal	
1.	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	1,00,02,252.00	37,45,764.00	1,37,48,016.00
	(b) Value of perquisites u/s 17(2) of the Income -Tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission			
	- as % of profit	Nil	Nil	Nil
	- others	Nil	Nil	Nil
5.	Others, Contribution to Provident Fund	4,80,048.00	1,82,784.00	6,62,832.00
	Total	**1,04,82,300.00**	**39,28,548.00**	**1,44,10,848.00**

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	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
B. DIRECTORS					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

For and on behalf of the Board of Directors

Place: New Delhi
Date: May 28, 2018

Shiv Prakash Mittal
Non-Executive Chairman
[DIN: 00237242]

Annexure-VI

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

(A) Conservation of Energy

(i) Steps taken or impact on conservation of energy:

- Installed additional capacitor banks and APFC Panels at appropriate stages to improve the power factor. This drive is a direct energy conservation effort to reduce the line related losses from generation to transmission points. We obtain financial rebate in monthly electricity bills amounting to a direct energy equivalent of about 12,000 KWH per annum.
- 90% conversion to LED from (FTL) old/ conventional lighting system is completed. The energy saving per annum is 38,500 KWH per annum.
- Damaged insulation was replaced on the hot water and oil lines. This resulted in an annual saving of 24 MT of fuel, costing ₹2.5 Lacs.
- Cooling pumps on presses have been replaced by energy efficient low capacity pumps. The net energy saving envisaged is 2,700 KWH per annum.
- VFDs have been installed on the Dust collector in Laminate, Veneer and Door plant as well as other equipment; continue to provide a saving of 90,000 KWH of electric power per annum.

(ii) Steps taken for utilising alternate sources of energy:

- Proposals are under implementation for setting up floor top solar plant of around 1MW as suggested during TERI energy audits vis-a-vis the pay back and maintenance aspects.

(iii) Capital Investment on energy conservation equipment:

- 110 KVAR capacitor bank commissioned and installed in Nalagarh Plant. Expenditure was approximately ₹2.5 Lacs.
- Two evaporation kettles have been installed, one each at Nalagarh and Behror unit and this will eliminate load on ETP from process discharges. Capital Expenditure including pipeline and structure was around ₹1.0 Crores.

(B) Technology Absorption:

i. Efforts made towards technology absorption:

a. In house developments of products like:
   i. Compact Wood, a technological advent of combining wood based Veneer with compact Laminate, is a new high value product with high export potential has been developed in house. Trial shipment is out for evaluation.
   ii. FD 60 and FD 120 variant Fire Doors have been developed and tested successfully and the products are available for marketing.

ii. Benefits derived like product improvement, cost reduction, product development or import substitution:

a. Added laminate Press Line-6, High speed PF impregnation line in Nalagarh which resulted in enhancing the total capacity of High Pressure Laminate by over 16%. This resulted in lowering the overhead costs of the product.
b. Added a 5 Axis CNC router for forward integrating our product offer to DIY type project from cut to size/shape panels.
c. Internal Cladding project has been successfully scaled up and it is ready for commercial launch.

iii. Information regarding technology imported, during the last 3 years:

a. Details of technology imported: Technical Know-how for manufacturing and improving the product interior clads using Compact Laminate as cladding material from Frankonia Systems of Germany.
b. Year of import: 2017-18
c. Whether the technology been fully absorbed: Yes
d. If not fully absorbed, areas where absorption has not taken place, and the reason thereof: Not applicable

iv. Expenditure incurred on Research and Development:

a. Capital: Nil
b. Recurring: Nil

C) Foreign Exchange Earnings and Outgo

The details of foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows are as under:

(₹ in lacs)

Particulars	March 31, 2018	March 31, 2017
Earnings on account of:		
a) FOB value of exports	35,040.67	33,074.94
b) Others	73.90	20.46
Total	**35,114.57**	**33,095.40**
Outgo on account of:		
a) Raw materials	29,122.47	27,598.54
b) Capital goods	245.32	271.23
c) Traded goods	2.29	145.99
d) Stores & spare parts	172.30	82.83
e) Others	587.91	577.39
Total	**30,130.29**	**28,675.98**

For and on behalf of the Board of Directors

Shiv Prakash Mittal
Non-Executive Chairman
[DIN: 00237242]

Place: New Delhi
Date: May 28, 2018

Annexure-VII

A. Particulars of employees for the year ended March 31, 2018 as required under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

i. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 is as under:

Sl. No.	Name of Director	Designation	Ratio of the remuneration of each director to the median remuneration of employees
1.	Mr. Shiv Prakash Mittal	Non-Executive Chairman	N. A.
2.	Mr. Saurabh Mittal	Managing Director & CEO	238.33
3.	Ms. Parul Mittal	Whole-time Director	132.75
4.	Mr. Vijay Kumar Chopra	Independent Director	6.46
5.	Ms. Urvashi Saxena	Independent Director	6.46
6.	Ms. Sonali Bhagwati Dalal	Independent Director	6.13

ii. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2017-18:

Sl. No.	Name of Director/KMP	Designation	% increase in Remuneration in the financial year 2017-18
1.	Mr. Shiv Prakash Mittal	Non-Executive Chairman	N.A.
2.	Mr. Saurabh Mittal	Managing Director & CEO	32.02%
3.	Ms. Parul Mittal	Whole-time Director	22.94%
4.	Mr. Vijay Kumar Chopra	Independent Director	4.25%
5.	Ms. Urvashi Saxena	Independent Director	9.76%
6.	Ms. Sonali Bhagwati Dalal	Independent Director	6.22%
7.	Mr. Ashok Kumar Sharma*	Chief Financial Officer	12.50%
8.	Mr. Prakash Kumar Biswal*	Company Secretary & Asst. Vice President - Legal	12.00%

**On full entitlement basis.*

iii. **The percentage increase in the median remuneration of employees of the Company in the financial year:**

During the financial year 2017-18, the median remuneration of employees of the Company was increased by 10.93%.

iv. **The number of permanent employees on the rolls of Company:**

As on March 31, 2018, there were 1,743 permanent employees on the rolls of the Company.

v. **Average percentile of increase made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Average percentage increase in salary of the Company's employee (other than the managerial personnel) during 2017-18 was approximately 11.80%. The total managerial remuneration for the financial year 2017-18 was ₹8,15,08,000.00 as against ₹6,40,06,000.00 during the previous year 2016-17. The percentile increase in the overall managerial remuneration during the year 2017-18 was 27.34%.

The remuneration of Mr. Saurabh Mittal has increased from ₹3,77,16,000.00 in the financial year 2016-17 to ₹4,97,93,000.00 in the financial year 2017-18 and of Ms. Parul Mittal has increased from ₹2,25,60,000.00 in 2016-17 to ₹2,77,35,000.00 in 2017-18. The remuneration (including commission) payable to Mr. Saurabh Mittal and Ms. Parul Mittal, was revised in the last financial year with effect from October 01, 2016. Further, there was no increase in the monthly remuneration of the executive directors, Mr. Saurabh Mittal and Ms. Parul Mittal during financial year 2017-18. The increase in their total remuneration represent the full impact of the last increase in monthly remuneration as well as increase in the amount of annual commission payable to them linked with profitability of the Company and the consequential increase in annual commission was in line with the increase in the profitability of the Company.

vi. **Affirmation that the remuneration is as per the Remuneration Policy of the Company:**

It is hereby affirmed that the remuneration paid during the year ended March 31, 2018 is as per the Remuneration Policy of the Company.

B. Particulars of employees for the year ended March 31, 2018 as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

Sl. No.	Name of the employee	Age (years)	Designation	Remuneration Received (₹)	Qualification	Experience in years	Date of commencement of employment	Last employment
1.	Mr. Saurabh Mittal	42	Managing Director & CEO	4,97,93,000.00	B.Com	21	01/04/2002*	Himalaya Granites Limited
2.	Ms. Parul Mittal	40	Whole-time Director	2,77,35,000.00	B.Com	16	11/11/2014	Greenply Industries Limited
3	Mr. Pankaj Rishi	48	COO-Middle East & North Africa	1,87,57,893.70	BA, MBA	25	01/12/2016	Engineering Building Materials Co. WII
4.	Mr. Anuj Sangal	50	Country Head - Laminates & Allied	1,64,39,348.00	BE (Civil), MBA	25	01/04/2015	Mayur Ply Industries Pvt. Limited
5.	Mr. BL Sharma	61	Head of Manufacturing	1,55,05,844.00	B.Sc., LLB, MBA	37	01/09/2013*	Stylam Industries Limited
6.	Mr. Shivcharan Pal Bhasin	63	Business Head - Chip Board Business	1,49,68,800.00	B.Com	41	01/04/2017	Associate Decor Ltd.
7.	Mr. Shivaji Mohinta	50	Country Head - Decorative Veneer	1,18,77,769.00	Strategic Mgt. Diploma	28	26/12/2014	Hunter Douglas India Pvt. Ltd.
8.	Mr. Ashok Kumar Sharma	49	Chief Financial Officer	1,04,82,300.00	CA	25	23/12/2013*	Su-Kam Power System Limited
9.	Mr. Anil Tyagi#	61	Business Head - Flooring	27,80,328.00	B.Sc.	30	02/01/2015	Futura Living Art Pvt. Ltd.
10.	Mr. Uppaluri Narayana Sarma	49	President - Chip Board Manufacturing Engineering Services	3,48,504.00	Diploma in Mechanical Engineering	27	19/03/2018	Associate Decor Ltd.

**employment transferred to the Company from Greenply Industries Limited pursuant to the Composite Scheme of Arrangement approved by the Hon'ble Gauhati High Court effective from November 17, 2014 (Appointed date April 01, 2013) and accordingly the respective date of appointment in the Demerged Company has been considered.*

#employment ceased during the financial year 2017-18.

Notes:

1. Remuneration shown above includes salary, allowances, cost of accommodation, medical reimbursement, contribution to provident fund, annual commission and other perquisites as per the terms of employment. However, the above remuneration does not include provision for gratuity and expenses towards club membership fees.
2. All the employees have requisite experience to discharge the responsibility assigned to them.
3. Nature and terms of employment are as per resolution/appointment letter.
4. None of the employees own 2% or more of the equity shares of the Company as on March 31, 2018.
5. Within the meaning of Section 2(77) of the Companies Act, 2013, Mr. Shiv Prakash Mittal, Mr. Saurabh Mittal and Ms. Parul Mittal are related to each other.

For and on behalf of the Board of Directors

Shiv Prakash Mittal
Non-Executive Chairman
[DIN: 00237242]

Place: New Delhi
Date: May 28, 2018

Management Discussion and Analysis

Global economic overview

In 2017, a decade after the global economy spiraled into a meltdown, a revival in the global economy became visible. Consider the realities: Every major economy expanded and a growth wave created jobs. This reality was marked by ongoing Euro-zone growth, modest growth in Japan, late revival in China and improving realities in Russia and Brazil leading to an estimated 3.7% growth in the global economy in 2017, a good 60 bps higher than the previous year.

Crude oil prices increased in 2017, the prices at the beginning of the year bring $54.13 per barrel, declining to a low of $46.78 per barrel in June 2017 and closing the year at $61.02 per barrel, the highest since 2013.

Global economic growth for 6 years

Year	2014	2015	2016	2017 (e)	2018 (f)	2019 (f)
Real GDP Growth (%)	3.5	3.2	3.1	3.7	3.9	3.0

[Source: World Economic Outlook, January 2018] e: estimated, f: forecasted

A review of the various national economies is provided below:

The US: The world's largest economy entered its ninth straight year of growth in 2017 (2.3% compared to 1.6% in 2016) catalysed by the spillover arising out of government spending by the previous administration coupled with US$1.5 trillion worth of tax cuts stimulating investments. Private consumption continued to grow at a robust pace from 1.5% in 2016 to 2.2% in 2017 despite modest real income gains and moderate wage growth, as the personal savings rate fell further.

Euro zone: This region experienced the upside arising out of cheap money provided by the central bank. In 2017, Euro zone is estimated to grow 2.4% compared with 1.8% in 2016, the broad-based growth visible in all Euro-zone economies and sectors. Unemployment declined to 8.8% in October 2017, the lowest since January 2009. *(Source: WEO January 2018, focus economics)*.

Emerging Asia: Emerging Asia GDP is estimated at 6.5% in 2017. The region is being transformed by technologies and Internet, strengthening the digital economy. Cambodia, Laos and Myanmar are projected to grow the fastest in the ASEAN, while Philippines and Vietnam are expected to lead growth in ASEAN-5 (Indonesia, Malaysia, Philippines, Thailand and Vietnam). The region is being driven by infrastructure spending and stable economies.

Outlook

The outlook for advanced economies improved, notably for the Euro area, but in many countries inflation remained weak, indicating that slack was yet to be eliminated, and prospects for growth in GDP per capita were held back by weak productivity growth and rising old-age dependency ratios. Prospects for emerging market and developing economies in sub-Saharan Africa, Middle East, and Latin America was lackluster with several experiencing stagnant per capita incomes. Fuel exporters were particularly affected by protracted adjustment to lower commodity revenues. Global growth forecasts for 2018 and 2019 were revised upward by 20 bps to 3.9%, reflecting improved momentum and impact of tax policy changes in the US. *(Source: WEO, IMF)*

Indian economic overview

After registering GDP growth of over 7% for the third year in succession in 2016-17, the Indian economy is headed for somewhat slower growth, estimated to be 6.6% in 2017-18. Even with this lower growth for 2017-18, GDP growth averaged 7.3% for the period from 2014-15 to 2017-18, the highest among the major economies, and achieved through lower inflation, improved current account balance and reduction in fiscal deficit to GDP.

The year under review was marked by various structural reforms by the Government. In addition to GST introduction, the year witnessed significant steps towards resolution of problems associated with bank non-performing assets, FDI, liberalization and bank recapitalization. After remaining in negative territory for a couple of years, export growth rebounded during 2016-17 and strengthened in 2017-18; spot levels of foreign exchange reserves rose to US$ 414 billion as on January 2018. *(Source: CSO, economic survey 2017-18)*

India's economic success helped South Asia emerge as the fastest-growing region in the world. India is the world's seventh-largest economy, growing faster than any other large economy (except China). India is home to 1.34 billion people - 18% of the world's population.

World Economic Forum's Global Competitiveness Report 2017 ranked India at an impressive 23 in the Global Competitiveness Index from 39 in 2016. Disruptions by demonetisation could have dampened short-term GDP growth, but could prove beneficial across the long-term. The imposition increased digital transactions, now easier to track and tax.

Government initiatives

Improving business ecosystem: The country was ranked at the hundredth position, an improvement of 30 places in the World Bank's Ease of Doing Business 2017 report. The Central Government agenda comprised measures such as passing of Insolvency and Bankruptcy Code, simplifying tax computation and merging applications for PAN and TAN. In addition, Aadhaar-based identification approach could streamline the regulatory regime. *(Source: KPMG)*

Goods and Services Tax: The Government of India carried out a significant overhaul of the indirect tax regime and launched the GST in July 2017, with the vision of creating a unified market. Under this regime, various goods and services would be taxed as per five slabs (28%, 18%, 12%, 5% and zero tax). To reduce the short-term inflationary effect of GST, the GST Council cut tax rates on more than 250 goods and services by moving them to lower tax slabs in two separate rate cuts. Post-GST implementation, India's tax net expanded, as a 50% increase was recorded in unique indirect taxpayers. *(Source: KPMG)*

Bank recapitalisation scheme: The Central Government announced capital infusion of ₹2.1 lac crore in public sector banks. The measure entailed a budgetary allocation of ₹76,000 crore by the Central Government, while the remaining amount is to be raised by the sale of recapitalisation bonds. *(Source: KPMG)*

Expanding road network: To boost road infrastructure in the country and foster job creation, the Government of India announced a ₹6.9 lac crore investment outlay to construct 83,677 kilometres of road network, over a period of five years. The ambitious programme is expected to generate 14.2 crore man-day jobs for the country. *(Source: KPMG)*

Foreign Direct Investment: The ability to attract large scale Foreign Direct Investment (FDI) into India has been a key driver for policy making by the Government. Foreign direct investment into India steadily increased from approximately USD 24 billion in FY 2012 to approximately USD 60 billion in FY 2017, which was an all-time high.

Outlook

World Bank projected India's economic growth to accelerate to 7.3% in 2018-19 and 7.5% in 2019-20. Strong private consumption and services are expected to continue to support economic activity. Private investment is expected to revive as the corporate sector adjusts to the GST. Over the medium-term, GST introduction is expected to catalyse economic activity and fiscal sustainability by reducing the cost of complying with multiple state tax systems, drawing informal activity into the formal sector and expanding the tax base. The recapitalisation package for public sector banks announced by the Government of India is expected to resolve banking sector Balance Sheets, enhance credit to the private sector and spur investment. *(Source: IMF, World Bank)*

Indian furniture market

The furniture market in India is witnessing steady growth with China being the single largest source for Indian furniture and fixture imports and Malaysia standing a distant second, while Italy stood third. In terms of

domestic production, the organised players account for 12-15% of the production, while unorganised and individual craftsmen account for approximately 85% of production. Demand is being driven by the upper and middle class, which seeks contemporary designs and prefers branded furniture. In 2015-16, furniture imports stood at US$ 1.49 billion, while the first eight months of 2017-18 already clocked US$1.2 billion in imports. Estimates for the full year place total imports at US$1.8 billion which is 20% higher than the previous year. Office furniture has also witnessed a significant rise in imports, with India becoming one of the largest importers. It now accounts for approximately 20% of total furniture sales in India, driven by demand from businesses, multinational companies and technology parks.

(Source: HKTDC research)

Growth drivers

Changing demographics

India has a median population age of 27.3 years compared to that of 35 years for China and around 47 years for Japan. It is estimated that India has around 390 million millennials and about 440 million in the Gen-Z segment. About 12 million people are added to the working age population every year, creating a wider consumer base. With increased annual household income along with the propensity to spend on lifestyle and consumer products, India's changing demographics are a major contributor to India's consumption story.

Governmental reforms

The implementation of RERA was one of the biggest regulatory reforms related to the real estate sector. The Real Estate Regulatory Act aims to eliminate the trust deficit between developers and consumers. Additionally, the rollout of GST is expected to lower residential prices, as developers pass on benefits of Input Tax Credit (ITC) to buyers. Under GST, all under-construction properties will be charged 12% (excluding stamp duty and registration charges) and not apply to completed and ready-to-move-in projects during the transition period, as no indirect taxes are applicable in the sale of such properties. These measures are encouraging transparency and growth in the real estate industry.

Rise of affordable housing

Affordable housing projects launched by private developers have contributed to the decline in the urban housing shortage in the last five years. Although, the urban housing shortage remains substantial (approximately 12 million homes), it is clear that active participation from private developers could help in addressing the gap. In the 2018-19 Annual Budget, the Government announced that it would create a dedicated 'Affordable Housing Fund' in collaboration with the National Housing Bank (NHB), another step towards realizing its ambition of achieving 'Housing for All' by 2022.

PMAY

The Pradhan Mantri Awas Yojana (Urban) launched in 2015 is aiming to build over 2 crore homes in urban areas by 2022. The scheme also offers Credit Linked Interest Subsidy (CLIS) to ease the EMIs and interest on home loans. This is expected to drive mass adoption of the scheme by consumers to meet their urban housing needs. Additionally, by granting 'infrastructure' status to affordable housing, developers have been empowered with low-cost sources of funding, effectively maintaining demand-supply balance.

Rising per capita income

The per capita net national income in 2017-18, is estimated to be ₹1,11,782 as compared to ₹1,03,219 during 2016-17 with a growth rate of 8.3%. The per capita income in real terms (at 2011-12 prices) during 2017-18 is estimated to be ₹86,660 as compared to ₹82,269 for the year 2016-17. The growth rate in per capita income (real terms) is estimated at 5.3% during 2017-18, as against 5.7% in the previous year.

Rising demand for office spaces

India witnessed a phenomenal annual absorption of office space in the year 2017, with absorption crossing 42 million sq. ft. of all key markets, once again Bangalore, Delhi and NCR accounted for over 50% of the annual office space leasing activity. Annual supply for prime office space was over 29 million sq. ft. during the year, a decline of about 18%.
(Source: CBRE South Asia report).

Outlook

Going forward, the Indian furniture market is expected to continue its steady growth, representing significant opportunity for the domestic sector as well as for imports. Demand for trendy furnishings is on the rise on account of a younger population, higher disposable income and affordable housing.

Industry overview

Global laminates industry

The global laminates market is estimated to be US$7.2 billion, and is growing at 2-3% annually. Demand for decorative laminates is predominantly driven by the housing market, with low-cost projects witnessing acceleration across the world. Rising per capita income is leading consumers to spend more on interior furnishings, ready-to-assemble furniture, and laminate flooring. Urban population as a percentage of the global population stood at 49.4% in 2006 and has risen to 54.2% in 2016, indicating a steady growth in urbanisation. *(Source: World Bank, Persistence Market Research)*

Indian laminates industry

The laminates industry size stands at approximately ₹5,125 crore. The sector has witnessed the spillover effects of demonetisation and poor demand from the real estate sector. Going forward, it is estimated that the industry will witness a gradual growth as the downstream sectors strengthen.

Laminates are witnessing an increase in applications due to better aesthetics, variety, easy maintenance and as they are cheaper alternative to veneers with a longer life. The industry has seen a significant shift in preference towards higher thickness laminates which is the fastest growing segment. The organized players are also increasing their presence in this category as it has better margins and realizations than low thickness laminates.

Going forward, the laminates industry is expected to witness an uptick on the back on renewed demand in the housing sector as well as the growing share of the organised sector over unorganised players. The organised sector has been witnessing continuous growth which is higher than the overall industry growth over the past 7 years. This indicates the strengthening of the organised market and consumers increasingly choosing branded over generic products. With the implementation of GST and the upcoming E-way bill, the organised laminates industry is expected to witness strong growth over the coming years. *(Source: Business Standard)*

About Greenlam Industries

Greenlam Industries Limited is engaged in the business of offering solutions to create beautiful interior spaces. The Company's rich heritage and over two decades of experience has culminated into making it the largest laminates producer in Asia and among the top three producers in the world. Greenlam's core strengths are its product offerings, manufacturing efficiencies, its distribution network, its brand equity and a robust team of dynamic professionals driving the Company ahead.

The Company possesses a production capacity of 14.02 million laminate sheets per annum and decorative veneer installed capacity of 4.2 million sq. m per annum. It enjoys an exports presence in over 100 countries. The Company is also India's first and only manufacturer of engineered wooden flooring as well as India's first organized manufacture of engineered wooden door sets. Greenlam's products are produced in state-of-the-art manufacturing facilities at Behror and Nalagarh in Rajasthan and Himachal Pradesh respectively.

The Company enjoys an organised market share of 20% in the laminates sector and 11% in the decorative veneers in India. The Company also has a wide portfolio of designs and creative styles which offer unique and a large range of decor combinations.

Laminates and allied segment

- Manufacturing facilities: Behror, Rajasthan and Nalagarh, Himachal Pradesh
- Installed capacity: 14.02 million sheets per annum
- Leading brand: Greenlam, New Mika, Greenlam Clads and Greenlam Sturdo
- Production in 2017-18: 13.87 million sheets
- Production growth over 2016-17: 9.8%
- Capacity utilization: 101%
- Sales, 2017-18: 13.78 million sheets
- Sales volume growth over 2016-17: 8.4%
- Revenue, 2017-18: ₹900.33 crore
- Contribution to the total revenue, 2017-18: 85%
- Revenue growth, 2017-18: 8.0%

Market overview

Greenlam has consolidated its position over the years as India's top exporter, Asia's largest laminates producer and one of the top three laminates player in the world. The Company witnessed macro environment changes such as a prolonged hangover of the demonetisation move, the uncertainty of the GST implementation and the response from downstream units. In preparation, the Company worked hard on setting up a strategy to counter these challenges emerging victorious with an unprecedented 14.9% domestic revenue growth in the vertical.

Highlights, 2017-18

- Optimised dealership credit to curb short-term strategies, encouraged showcase of performance to increase credit limit
- Laminates sales grew by 8.4% in volume terms and clocked highest ever sales of ₹900.33 crores
- Retained the position of the largest laminates exporter in India, with export revenue standing at ₹366.63 crore and contributing 41% to the total laminate revenue
- Disciplined financial practices and appropriate marketing expenses helped us to absorb short term shocks
- Ground based approach in selection of dealers and employees aimed at long term growth
- Ran many product-specific schemes throughout the year to let dealers tap local demand of specific products
- Encouraged customers to take advantage of direct delivery from the plant allowing the Company to pass on the 2-3% on cost savings
- Assigned a new super-stockist in Bangalore

Strengths

- Greenlam is the largest manufacturer in Asia with a capacity of 14.02 million sheets per annum. Having the scale and capacity helps leverage economies-of-scale for the most competitive manufacturing cost.
- The Company has one of the largest distribution networks for laminates in the country. With the introduction of GST, the network has become more efficient and allows greater reach pan-India. Globally, Greenlam exports laminates to over 100 countries and amongst world's top 3 laminate producer.
- Greenlam possesses a diverse product portfolio with over 10,000 products across the largest price range. With offerings in each price segment, the Company offers the widest options in the industry.
- Through the use ever evolving technology, the Company has been able to provide top notch products at the most competitive prices. Greenlam's quality has widely been established as a benchmark enhancing brand recall.

Industry optimism

With the demonetisation hangover effect subsiding, the real estate industry is witnessing a rebound based on numerous government initiatives. GST and RERA are bringing greater stability to the organised market and transparency further promoting growth. With a younger population demographic and increasing per capita income, the furnishing industry is also witnessing an uptick with consumers choosing to design their interiors in line with global standards. In addition, office space absorption is also witnessing an uptick with IT & business parks leading the growth. The launch of the E-way bill is further expected to consolidate the unorganised market and impede illegal cash transactions, thereby shrinking the parallel cash economy.

Outlook, 2018-19

- Capitalise on the shrinking market share of the unorganised sector for profitable growth
- Further consolidate Branches and Regional Distribution Centers to create an efficient distribution chain
- Sustain growth in interior and exterior clads on account of the renewed housing push
- Focus on achieving higher sales volumes for the restroom cubicle and locker compact laminate products
- Continue engaging dealers with higher ROI focus to arrest and shrink debtor cycle
- Engage with partners and clients to promote greater direct delivery offtake

Decorative veneer & Allied segment

A. Decorative veneer

- Brand: Decowood
- Manufacturing facility: Behror, Rajasthan
- Installed capacity: 4.2 million sq. m per annum
- Production, 2017-18: 1.56 million sq. m
- Production growth: 18.2%
- Sales volume, 2017-18: 1.6 million sq. m
- Revenues, 2017-18: ₹118 crore
- Contribution to the total revenue, 2017-18: 11.14%
- Revenue growth, 2017-18: 10.77%

Market overview

Greenlam is the largest decorative veneers company with an installed capacity of 4.2 million sq. m per annum.

The total market size of decorative veneer in India is ₹2,000 crore with the unorganized players accounting about 47% of the market in 2017 as compared to 60% in 2013, reflecting a clear and gradual shift towards the organized market.

The segment witnessed pressures from the slump in residential sales and spillovers of demonetisation. Additionally, the confusion and uncertainty regarding GST rates and implementation of RERA further caused challenges. The veneer segment is largely driven by residential demand, HNI demand and demand from star hotels. With the competition being localised and granular, Greenlam had to develop strategies unique to each market to counter lower priced products from unorganised players. Product portfolio pricing schemes helped the Company to counter pricing challenges and achieve 10.77% growth in value and 16.4% volume growth in 2017-18.

Highlights, 2017-18

- Challenges notwithstanding, Decowood registered significant revenue and volume growth
- Superior designs and mid-range products helped sustain growth for the brand
- Over the second and third quarter, the Company launched an initiative called '99 below 99'. This initiative offered 99 types of veneers at a cost of 99 rupees per square feet. The event was widely successful and it helped revise the 'expensive' image associated with the Company's offerings
- Launched customised solutions for large customers, by identifying customer needs and creating tailored sizes and thicknesses which allowed price competitiveness with the other players.

Industry optimism

The veneers sector is largely driven by the residential real estate segment. With homeowners increasingly looking at stylish interiors, veneers are witnessing offtake. Greater exposure to global and unconventional designs is also driving consumers to decorate interiors as an extension of their personalities and creating a unique environment. An increased propensity to spend on furniture and furnishings is also driving the veneer industry.

Outlook, 2018-19

- Focus on increasing dealer network to achieve higher penetration
- Promote mid-range products as viable alternatives to wallpaper and laminates
- Focus on gaining market share from the local unorganised players
- Continue offering customised solutions for large orders to achieve better cost competitiveness

B. Engineered wooden flooring

- Brand: Mikasa Floors
- Manufacturing facility: Behror, Rajasthan
- Installed capacity: 1 million sq. m per annum
- Production, 2017-18: 0.114 million sq. m
- Production growth: 60.9%
- Sales volume, 2017-18: 0.116 million sq. m
- Contribution to the total revenue, 2017-18: 2.5%
- Revenue, 2017-18: ₹26.24 crore
- Revenue growth 2017-18: 44.8%

Market overview

Engineered wooden flooring is an untapped segment in India with a massive potential in the MIG and HIG housing segments. Greenlam is the sole manufacturer of these products with an installed capacity of 1 million sq. m per annum. Europe and China are the largest producers of engineered wooden flooring solutions and have been the choice for many importers in India. Between October 2015 to September 2016, imports amounted to 3,13,622 sq. m, registering a 26.72% growth over 2013-14 levels.

The Company's flooring business has registered improved performance in comparison to the previous year.

Our positioning

The year under review has witnessed a growth of 44.8% in value terms for this vertical on a very small base. The Company added more dealers and retailers to increase its reach and availability across major cities and high-demand locations. The product is a stylish alternative to regular marble or stone flooring and enjoys application across various markets.

The largest consumers of engineered wooden flooring are builders, involving residential, commercial, office, hospitality and educational projects. Through eco-friendly material sourcing to state-of-the-art manufacturing processes, the Company produces Mikasa floors in various styles and designs. The product is especially engineered for Indian conditions with respect to the heat, humidity and wear & tear. With a unique product positioning and up to a 30 year warranty Mikasa is affordable and yet is technologically better than most imports.

Highlights, 2017-18

During the year, our dealer network was expanded to 15 more cities to improve availability. With a wider reach, the Company is also aiming to expand volumes further into untapped areas and engage with furniture, furnishings, developers, designers and architects to drive volume growth.

Industry optimism

Housing is in demand, with the industry still witnessing a shortage in urban housing. Originally considered a niche product, engineered wooden flooring is now gaining in popularity as more viable alternatives to marble or stone floors, given their aesthetic appeal. This coupled with the increased discretionary spending by Indian consumers is also expected to drive demand. Compared to marble flooring, installation of engineered wooden flooring is less labour intensive and lends a luxurious and cozy feel to the interiors. With more consumers experimenting with new materials to in home décor, the demand for engineered wooden floorings is expected to increase over the coming years.

Outlook, 2018-19

- Continue expansion of our dealer network
- Engage with various designers and architects to promote Mikasa flooring
- Expand product portfolio with mid and high range products

C. Engineered wooden door sets

- Brand: Mikasa Doors and Frames
- Manufacturing facility: Behror, Rajasthan
- Installed capacity: 1.2 lacs door sets per annum
- Production, 2017-18: 16,998 door sets
- Production growth: 17.9%
- Sales in 2017-18: 19,574 door sets
- Contribution to the total revenue in 2017-18: 1.5%
- Revenue in 2017-18: ₹16.1 crore
- Revenue growth, 2017-18: 33.2%

Market overview

Indian Doors Market size was valued at over USD 1.2 billion in 2016 and is expected to be worth USD 2.8 billion by 2024. The number of units sold is expected to surpass 9.5 million units by 2024. Among all door types,

hinged doors are used the most and the hinged door market was valued over USD 300 million in 2016. Hinged doors are the most suitable for residential applications due to ease of installation and low consumption of space.

Wooden doors are still preferred across India, with other door types being employed for specific purposes such as bath cubicles and temporary structures. Factors like rapid urbanization, rise of affordable housing, and increasing consumer preference to choose aesthetic and stylish interiors is expected to create a huge demand for engineered wooden door sets.

Greenlam Industries is the first organized company to launch engineered, factory-finished door solutions in the country with capacity of 1,20,000 doors sets per annum.

Highlights, 2017-18

- Implemented innovation and technologies from Taiwan and China
- Introduced stringent quality checks to align the products to global standards
- Introduced two fire-resistant doors (certified)
- Engaged with builders to drive offtake

Outlook, 2018-19

- Looking at export markets within the Middle East
- Investments planned to deploy automation at the plant
- Automation focus will improve specifications and cost competitiveness
- Targeting a robust revenue growth from the vertical in the coming year

Procurement

The Company has an extensive supply chain and raw materials are sourced from all across the world. There are three key raw materials utilised by the Company: paper varieties of different thicknesses, chemicals such as phenol, melamine, methanol and various varieties of wood. Raw material prices surged during the year under review, witnessing extensive volatility. The Company undertook a set of measures to counter challenges. Cost management was a key focus area and various processes were put in place to capture data and enable the management to take data-driven decisions. Besides, the Company also maintained sufficient inventory pipeline as a buffer and utilises free trade agreements (FTAs) with various countries for sourcing key materials.

Operations

The Company is a technology leader in the market with consistent technology upgradation over time to be in line with the best standards globally. Numerous measures were undertaken to make the processes more energy efficient and sustainable such as updated tools and machinery and the implementation of the TERI Energy Audit points. Turnaround time is also reduced through streamlining RDCs and delivery of higher volume per unit of time. Greenlam maintained the industry bench marked low rejection rate at the final product stage while sustaining simultaneous addition to capacities.

Quality

Quality has been a key focus area for Greenlam, as we strive to produce world class products conforming to the highest standards across all our geographies. During the year under review, we worked on enhancing production efficiencies and post production quality assurance. Critical quality parameters were strictly adhered to and cutting and peel coat issues were completely eliminated. Improvements in processes were validated and periodically verified against customer feedback to be amended accordingly.

Information technology

Overview

Information Technology is a key focus area for Greenlam and it prudently allocates resources and spending on IT improvements to gain a technological edge, gaining efficiencies and analytical data. The applications currently in use are SAP (ERP) MS Share Point and PHP based protocols.

GST was a major revamp to the country's taxation system, and in order to be prepared, the Company has developed GST purchase and inventory management systems. The Company introduced auto mailers and SMS's to update its clients about their transactions and orders. This added a layer of transparency to the system.

Over the year, Greenlam has taken a few strategic steps pertaining to its infrastructure. Previously, we had our own data center on the premises, but now the Company chose to outsource to a third party managed and hosted data center, which is one of India's largest. Data security is taken very seriously, and in a recent instance of a digital 'ransomware' attack, the data security protocols and layers were successful in preventing systems from getting infected. The Company also uses customized security solutions from various vendors.

Other highlights include the development of a Customer Support & Redressal Portal (CSRP) to capture customer concerns regarding quality, logistics or commercial issues. This system was backed up by a robust workflow with the ticket logging all data points and actions undertaken in the resolution. Besides bringing transparency, this system also helped in the identification of improvement areas in the workflow.

An in-house application was developed for the sampling process. The new system is generating data for the marketing team to address the needs of the customer by recording the sample requests for analysis. An export shipping portal was developed and launched to facilitate easy tracking and management of exports right from the factory to the destination port.

These data driven analytics were enabled through portals that the Company has developed in-house. The internal IT team has core ABAP knowledge (SAP application server programming language) which has been instrumental in development of such applications. Apart from generating standard reports, the knowledge of ABAP allows Greenlam to extract specific sets of data for analysis which is helping decision makers to take a right call at a right time.

Outlook

A strategic call will be made for review of the current ERP system, with strategies aligned with key KPIs and to address organization future needs and growth plan. The Company is also trying to get a DLP system implemented for enhanced Data security.

Human resources

At Greenlam, we believe our people are our assets, and we take keen interest in nurturing and developing talent. The HR procedures and practices are aligned on cultivating the Company's intellectual capital and creating an environment for growth. As of March 31, 2018 the Company had 1743 employees on its payroll.

Highlights, 2017-18

- Focused on speed and quality of talent onboarding
- Introduced Learning & Development as a function and integration of learning initiatives at company level including branches and plants
- Special focus on selling skills training for sales employees across all business verticals and levels
- Launch of base HR Automation platform namely "Greenlam Habitat", for speed, accuracy and accountability of data flow
- Continued efforts to inculcate team spirit through celebrations and events

Focus, 2018-19

While the work on strengthening the basics will continue within the function, special focus on deriving productivity from each individual within the company will remain as one of the core intervention for the year. High level of engagement with business, speed and quality of data and reports and quick course correction measures would be key enablers for achieving the same. Bases on the said theme, the function has planned to implement various projects, like:

- Take HR automation to the next level and integrate all people practices on an automated platform
- Enable last level employees with repeated product knowledge and soft skills training as well, to ensure that they deliver at their optimal level
- Create a culture of accountability with strong review mechanisms
- Launch non-monetary reward and recognition programs to keep the engagement levels high at ground

Opportunities

- Growing consumer preference for branded products is causing a shift from the unorganised to the organised market
- The implementation of GST has helped curb cash based business, and with e-way bill set to be implemented, the playing field is further expected to become level
- India's growth story is expected to be favourable to the industry, with a spur in real estate, higher per capita income, greater propensity to spend on stylish home furnishings and lower resistance to trying unconventional products within homes and commercial spaces

Threats

- While the market is at a tipping point, unorganised players pose a granular, market-driven threat to branded products on account of pricing pressure
- Sustained imports for flooring and furniture from nations such as China, Malaysia and Europe pose a threat to the local producers
- Volatility in key raw material costs and the general inflationary trend could also pose a challenge as in a deeply price-competitive market, passing increased costs to consumers is not feasible

Our financial performance

Standalone

The Company's revenues grew by 8.0% to ₹1060.78 crore in 2017-18. EBIDTA stood at ₹136.60 crore compared to ₹123.84 crore in the previous year. Interest cost decreased to ₹15.98 crore as compared to ₹25.45 crore in financial year ended March 31, 2017. The Company reported a post-tax profit of ₹59.2 crore in the financial year 2017-18 compared to a post-tax profit of ₹42.81 crore in the previous year.

Consolidated

Revenues grew by 6.4% to ₹1,144.73 crore in the financial year 2017-18. EBIDTA stood at ₹148.9 crore compared to ₹138.3 crore in the previous year. Interest cost decreased to ₹18.05 crore as compared to ₹28.55 crore in financial year ended March 31, 2017. The Company reported a post-tax profit of ₹64.6 crore in the financial year 2017-18 compared to a post-tax profit of ₹49.7 crore in the previous year.

Internal control systems and their adequacy

The Company has well established internal control systems in line with its size, operations and complexity. These systems are verified and tested routinely by certified auditors as well as internal audits, which cover all the key areas of the business. The internal control system ensures measurability and verifiability, reliability of accounting management efficiency and management information. The system also ensures compliance with all applicable laws and regulations, protection of the Company's assets and identification of critical risk areas to address them effectively.

Risks and concerns

As a business, though Greenlam is exposed to a number of risks, the Company has evolved certain time-tested initiatives and practices that have enabled it to ring fence its viability and sustainability.

Competition risk

Though the unorganized segment of the market represents a core risk, the proposed implementation of the GST Act is a game-changer for the laminates industry as it will enable a shift to organized constituents of the market. In this scenario, Greenlam enjoys an entrenched brand recall, unparalleled distribution network and a wide bouquet of products across laminates, veneers, engineered floors and doors categories that will enable it to ride the favourable regulations.

Product risk

The Company's products might no longer be relevant for consumers. In fact, this is a virtually minimal risk as laminates, veneers MFCs and clads are established surface products whose market has been registering a decent rate of growth in India and also globally. Besides, the huge range of offering under these categories has only grown their appeal among customers. Additionally, the company also has engineered wooden flooring and engineered wooden door sets which enhances its position as a complete décor solutions provider.

Brand risk

Brands play an important role in the sales and marketing of products across all categories. In this context, Greenlam Industries has positioned itself as a global brand in the decorative surfacing and the interior and exterior solutions market by positioning itself as a one stop solution.

Finance risk

For a working capital-intensive industry, prudent fiscal management is important for operational sustainability. In a significant initiative, the Company enforced a stipulated trade credit period, enabling us to better manage our working capital and cash flow cycle.

Manufacturing & quality risk

At our Company, we operate state-of-the-art manufacturing facilities with documented processes that enable us to manufacture products in compliance with the highest quality standards, cost effectively with maximum resource consumption and minimal wastages. This also makes our operations compliant with all environmental rules and regulations.

Distribution risk

The Company enjoys an FMCG-like distribution network with a presence across India and in 100+ countries around the world. Our supply chain is robust and dynamic, allowing us to meet customer demands with speed and surety.

IT risk

Greenlam possesses state-of-the-art IT infrastructure and support through SAP-based ERP that integrates the entire ecosystem to ensure the availability of real-time information that in turn enhances the quality of decision-making and ensures the contemporariness of systems and processes.

Corporate Governance Report

FOR THE FINANCIAL YEAR 2017-18

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

1. Company's philosophy on the Code of Governance

The Company has complied with the principles and practices of good Corporate Governance. The Company's philosophy is to attain transparency and accountability in its relationship with employees, shareholders, creditors, consumers, dealers and lenders, ensuring a high degree of regulatory compliance. Your Company firmly believes that a good governance process represents the foundation of corporate excellence.

2. Board of Directors ('Board')

a) Composition of the Board and Category of Directors:

As on March 31, 2018, the Board of the Company comprises of 6 (six) directors;

- One Non-Executive Promoter Chairman
- Two Executive Promoter Directors
- Three Non-Executive Independent Directors

The Company has also complied with the requirements of having a woman director on its Board under Section 149(1) of the Companies Act, 2013 ('the Act, 2013'). The Company has three woman directors on its Board as of March 31, 2018.

The composition of the Board is in accordance with Regulation 17(1) of the SEBI Listing Regulations and Section 149 of the Act, 2013.

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

b) Attendance of each Director at the meeting of the Board of Directors and at the 4th Annual General Meeting and also the number of other Board of Directors or Committees in which a Director is a member or chairperson:

During the financial year 2017-18, 4 (four) meetings of Board of Directors were held on May 25, 2017; August 09, 2017; November 06, 2017 and February 06, 2018.

The composition of the Board of the Company and the attendance of each Director at the Board Meetings held during the financial year 2017-18 and at the previous Annual General Meeting ("AGM") i.e. at the 4th AGM held on August 21, 2017 and also the number of other Boards or Board Committees in which the Directors are member/ chairperson as on March 31, 2018 are as follows:

Sl. No.	Name of the Directors and DIN	Category of directorship	No. of Board Meetings		Attendance at the 4th AGM	No. of outside directorship held		No. of outside committees@ (in public limited companies)	
			Held	Attended		Public	Private	Member#	Chairman
1.	Mr. Shiv Prakash Mittal [DIN: 00237242]	Non-Executive Chairman-Promoter Director	4	3	No	2	6	-	-
2.	Mr. Saurabh Mittal [DIN: 00273917]	Managing Director & CEO-Promoter Director	4	4	Yes	1	8^	-	-
3.	Ms. Parul Mittal [DIN: 00348783]	Whole-time Director-Promoter Director	4	4	No	-	3	-	-
4.	Mr. Vijay Kumar Chopra [DIN: 02103940]	Non-Executive -Independent Director	4	4	Yes	8	2	8	4
5.	Ms. Urvashi Saxena [DIN: 02021303]	Non-Executive -Independent Director	4	4	Yes	2	-	2	-
6.	Ms. Sonali Bhagwati Dalal [DIN: 01105028]	Non-Executive -Independent Director	4	3	No	2	2	-	-

@Membership/Chairmanship of Audit Committee and Stakeholders' Relationship Committee has only been considered.
#Number of Membership also includes Chairmanship held in the Committee(s).
^Includes Directorships in foreign companies.

None of the Directors on the Board is a member of more than 10 (ten) Committees and Chairman of more than 5 (five) Committees as specified in Regulation 26(1) of the SEBI Listing Regulations, across all the companies in which he/she is a Director. For assessment of these criteria, the limit under Regulation 26(1), the membership/chairmanship of the Audit Committee and the Stakeholders' Relationship Committee have only been considered.

c) Information supplied to the Board of Directors:

During the financial year 2017-18, all necessary information, as required under the applicable provisions of the Act, 2013, Part A of Schedule II of the SEBI Listing Regulations and SS-1 ("Secretarial Standard on Meetings of the Board of Directors") and other applicable laws, rules and regulations were placed and discussed at the Board Meetings.

d) Separate Meeting of Independent Directors:

During the financial year 2017-18, as per the requirement of Schedule IV of the Act, 2013 and the Regulation 25(3) of the SEBI Listing Regulations, 1 (One) separate meeting of Independent Directors was held on March 23, 2018 whereby, all the Independent Directors were present and without the presence of the Non-Independent Directors and the members of the management of the Company. This meeting was conducted in a manner so as to enable the Independent Directors to discuss and review the performance of Non-Independent Directors and the Board as a whole, performance of the Chairman of the Company after taking into account the views of Executive Directors and Non-Executive Directors and for assessing the quality, quantity and timelines of flow of information between the Company management and the Board.

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

As on March 31, 2018, none of the Non-Executive Directors was holding any shares or convertible instruments in the Company except Mr. Shiv Prakash Mittal who is holding 5,06,000 equity shares of the Company (comprising of 2.10% of the total paid share capital).

f) Familiarisation programme for Independent Directors:

During the financial year 2017-18, no new Independent Director was appointed on the Board of the Company. However, on an ongoing basis, the Company has conducted the Familiarization program for Independent Directors during the financial year 2017-18. The details for the same have been disclosed on the website of the Company at https://www.greenlamindustries.com/pdf-file/Details%20of%20Familiarization%20Programme%20imparted%20to%20Independent%20Directors.pdf

g) Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting:

Mr. Saurabh Mittal, Managing Director & CEO, liable to retire by rotation in the forthcoming Annual General Meeting, offers himself for re-appointment. The details pursuant to Regulation 36(3) of the SEBI Listing Regulations for Mr. Saurabh Mittal are provided below:

Name of the Director	Mr. Saurabh Mittal
Father's Name	Mr. Shiv Prakash Mittal
Date of Birth	October 06, 1975
Age	42 years
Date of first appointment on the Board of the Company	August 12, 2013
Expertise in specific functional areas	Mr. Saurabh Mittal is an alumni of Mayo College Ajmer and a Commerce graduate from the University of Madras. As Joint Managing Director & CEO, he was the prime mover of the exponential growth of Greenply Industries Limited and for carving a niche for Greenlam Laminates and allied decorative products. His hands on engagement across the entire value chain to build the business from its infancy has garnered him nearly two decades of first-hand experience in various fields. He has been deeply involved with the manufacturing process and has progressively added production capacity that is best in the industry. He spearheaded the marketing initiatives personally building brand Greenlam that undisputedly commands the market. His sales experience is especially strong in the B2B segment as he built a distribution network that has provided incomparable market reach. His finance, investor relations and corporate affairs involvement is phenomenal and his export orientation has resulted in our Company consistently being the largest exporter of laminate from India. The charismatic leadership, personal drive and strategic thinking of Mr. Saurabh Mittal has rallied our Company to attain market leadership in a very short period of time, both in the domestic and international markets.
Qualification	B.Com
Directorship held in other companies	• Himalaya Granites Limited • Prime Properties Private Limited • Greenply Leasing & Finance Private Limited • S. M. Safeinvest Private Limited • Greenlam Asia Pacific Pte. Limited • Greenlam America, Inc. • Greenlam Europe (UK) Limited • Greenlam Holding Co., Limited • Greenlam Asia Pacific (Thailand) Co., Limited

Chairman/member of the committee of the Board of Directors of the Company	**Chairman:** a) Corporate Social Responsibility Committee **Member:** a) Audit Committee b) Stakeholders' Relationship Committee c) Operational & Finance Committee
Chairman/member of the committee of the Board of Directors of other companies in which he/she is a director	**Chairman:** Nil **Member:** Nil
Number of shares held in the Company	32,06,534 equity shares [13.29%]
No. of Board meetings attended during the year	4 out of 4 Board Meetings
Relationship with other Directors, Manager and KMPs	Son of Mr. Shiv Prakash Mittal and Spouse of Ms. Parul Mittal

h) Disclosures of relationships between Directors inter-se:

Name of the Directors	Category of Directorship	Relationship between Directors
Mr. Shiv Prakash Mittal	Non-Executive Chairman-Promoter Director	Mr. Saurabh Mittal (Son) and Ms. Parul Mittal (Son's wife)
Mr. Saurabh Mittal	Managing Director & CEO-Promoter Director	Mr. Shiv Prakash Mittal (Father) and Ms. Parul Mittal (Spouse)
Ms. Parul Mittal	Whole-time Director-Promoter Director	Mr. Shiv Prakash Mittal (Father-in-law) and Mr. Saurabh Mittal (Spouse)
Mr. Vijay Kumar Chopra	Non-Executive-Independent Director	None
Ms. Urvashi Saxena	Non-Executive-Independent Director	None
Ms. Sonali Bhagwati Dalal	Non-Executive-Independent Director	None

3. Code of Conduct

Details of the Code of Conduct for Board members and senior management of the Company is available on the Company's website www.greenlamindustries.com. Annual declaration signed by the Managing Director & CEO of the Company pursuant to Regulation 26(3) read with Schedule V (Part D) of the SEBI Listing Regulations is attached with the Annual Report.

4. Committees of Board of Directors

The Board of Directors of the Company being at the fiduciary position have crucial role in the governance structure of the Company and the Board has constituted various Committees to deal with specific areas/ activities which need a closer review or which are operational or routine matters.

In order to perform the duties in true spirit and in the interest of the Company and its stakeholders in efficient and timely manner, the Board has delegated its powers to various committees.

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

a) Audit Committee
b) Nomination & Remuneration Committee
c) Stakeholders' Relationship Committee
d) Corporate Social Responsibility Committee
e) Operational & Finance Committee

a) Audit Committee

Composition:

As on March 31, 2018, the Audit Committee of the Company, comprises of 4 (four) Directors i.e. 3 (three) Non-Executive Independent Directors and 1 (one) Executive-Promoter Director.

Sl. No.	Name of the Committee Members	Category	Designation
1.	Mr. Vijay Kumar Chopra	Independent Director	Chairman
2.	Ms. Urvashi Saxena	Independent Director	Member
3.	Ms. Sonali Bhagwati Dalal	Independent Director	Member
4.	Mr. Saurabh Mittal	Executive-Promoter Director	Member

Mr. Prakash Kumar Biswal, Company Secretary & Asst. Vice President - Legal of the Company, acts as the Secretary to the Audit Committee.

The composition and terms of reference of the Audit Committee conforms to the requirements of Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations and Section 177 of the Act, 2013.

Terms of Reference for the Audit Committee are as follows:

Powers of the Audit Committee:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain external, legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it is considered necessary.

Role of Audit Committee:

The role of the Audit Committee shall include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors except those which are specifically prohibited;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   i. 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;
   ii. Changes, if any, in accounting policies and practices and reasons for the same;
   iii. Major accounting entries involving estimates based on the exercise of judgment by management;
   iv. Significant adjustments made in the financial statements arising out of audit findings;
   v. Compliance with listing and other legal requirements relating to financial statements;
   vi. Disclosure of any related party transactions;
   vii. 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 Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as may be referred to by the Board or mandated by regulatory provisions from time to time.

Review of information by Audit Committee:

The Audit Committee shall mandatorily review 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;
e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and
f. Statement of deviations:
   i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
   ii) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Meetings and attendance:

During the financial year 2017-18, 5 (five) meetings of the Audit Committee were held on May 25, 2017; August 09, 2017; November 06, 2017; February 06, 2018 and March 23, 2018.

The attendances of Committee Members were as under:

Name of the Committee Members	Category	No. of Meetings	
		Held	Attended
Mr. Vijay Kumar Chopra	Non-Executive-Independent Director	5	5
Ms.Urvashi Saxena	Non-Executive-Independent Director	5	5
Ms. Sonali Bhagwati Dalal	Non-Executive-Independent Director	5	4
Mr. Saurabh Mittal	Executive-Promoter Director	5	5

b) Nomination and Remuneration Committee

Composition:

As on March 31, 2018, the Nomination and Remuneration Committee of the Company comprises of 3 (three) directors.

Sl. No.	Name of the Committee Members	Category	Designation
1.	Mr. Vijay Kumar Chopra	Non-Executive-Independent Director	Chairman
2.	Mr. Shiv Prakash Mittal	Non-Executive-Promoter Director	Member
3.	Ms. Urvashi Saxena	Non-Executive-Independent Director	Member

Terms of Reference for the Nomination and Remuneration Committee:

1. To formulate criteria for:
   a. determining qualifications, positive attributes and independence of a director;
   b. evaluation of Independent Directors and the Board.
2. To devise and recommend 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.
3. 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 and recommend their appointment and removal to the HR Department and to the Board.
4. To carry out evaluation of the performance of every Director of the Company;
5. 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.
6. To extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
7. To carry out such other business as may be required by applicable law or delegated by the Board or considered appropriate in view of the general terms of reference and the purpose of the Nomination and Remuneration Committee.

Meetings and Attendance:

During the financial year 2017-18, 1 (one) meeting of Nomination and Remuneration Committee was held on May 25, 2017 and the attendances of Members were as follows:

Name of the Committee Members	Category	No. of Meetings	
		Held	Attended
Mr. Vijay Kumar Chopra	Non-Executive-Independent Director	1	1
Mr. Shiv Prakash Mittal	Non-Executive-Promoter Director	1	1
Ms. Urvashi Saxena	Non-Executive-Independent Director	1	1

Performance evaluation criteria for all the Directors (Including Independent Directors)

Details of the performance evaluation criteria for all the Directors (Including Independent Directors) of the Company is provided in the Directors' Report forming part of the Annual Report of the Company.

Remuneration to Directors and Disclosures:

Summary of Remuneration Policy of the Company

The Board has adopted the Remuneration Policy on the recommendation of the Nomination and Remuneration Committee in compliance with Section 178 of the Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations. This policy applies to all the "Executives" of the Company and is valid for all employment agreements entered into after the approval of the Policy and for changes made to existing employment agreements thereafter. In keeping with the provisions of Section 178, the remuneration structure of the Company comprises of fixed remuneration (including fixed supplements), performance-based remuneration (variable salary), pension scheme, where applicable, other benefits in kind and severance payment, where applicable. Further, the Policy states that the Non-Executive Directors and Independent Directors of the Company may receive

remuneration only by way of fee 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. Additionally, the Policy also lays down the overall selection criteria for the executives of the Company which is based on broad heads such as competencies, capabilities, compatibility, strong interpersonal skills, commitment among others. The Policy also entitles executives to a severance fee. The Remuneration Policy of the Company has been disclosed on the website of the Company at https://www.greenlamindustries.com/pdf-file/Remuneration-Policy.pdf

Remuneration to Directors:

(i) Executive Directors

The details of remuneration including commission to all Executive Directors for the financial year ended March 31, 2018 is as follows and the same is within the ceiling prescribed under applicable provisions of the Act, 2013.

Name and Designation	Service Contract /Notice Period*	Salary (₹)	Commission (₹)	Provident Fund (₹)	Perquisites and other allowances (₹)
Mr. Saurabh Mittal (Managing Director & CEO)	Appointed as Managing Director & CEO for five years w.e.f. November 11, 2014	2,40,00,000.00	2,33,45,000.00	24,48,000.00	Nil
Ms. Parul Mittal (Whole-time Director)	Appointed as Director-Design & Marketing for five years w.e.f. November 11, 2014 and her designation was changed to Whole-time Director w.e.f. May 25, 2017.	1,20,00,000.00	1,42,95,000.00	14,40,000.00	Nil

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

The remuneration of the Executive Directors was revised by the Board of Directors at their meeting held on October 18, 2016 based on the recommendation of the Nomination and Remuneration Committee of the Company. Approval of the shareholders of the Company was obtained at the last Annual General Meeting to such revised remuneration.

Out of the above remuneration, the salary, contribution to provident fund and perquisites, if any, are fixed component and the commission is linked with the profitability of the Company. None of the remuneration component is linked to performance of the individual director.

For the purpose of severance fees 'Salary' means basic salary of Directors.

(ii) Non- Executive Directors

The details of sitting fees and annual commission to Non-Executive Directors for the financial year 2017-18 are as follows:

Name and Designation	Service Contract/Notice Period	Sitting Fees* paid (₹)	Commission* payable@ (₹)	Number of shares and convertible instruments held in the Company
Mr. Shiv Prakash Mittal	Retire by rotation	Nil	Nil	5,06,000
Mr. Vijay Kumar Chopra	Appointed for 5 years as Independent Director at the Annual General Meeting of the Company held on October 30, 2014	3,50,000.00	10,00,000.00	Nil
Ms. Urvashi Saxena	-do-	3,50,000.00	10,00,000.00	Nil
Ms. Sonali Bhagwati Dalal	-do-	2,80,000.00	10,00,000.00	Nil

**excluding applicable taxes*

@ The annual commission payable to Independent Directors was revised by the Board of Directors at their meeting held on October 18, 2016. Approval of the shareholders of the Company was obtained at the last Annual General Meeting to such revised commission.

No sitting fee is paid to the Chairman and the Executive Directors for attending the Board Meetings or Committee Meetings thereof. The necessary approvals are obtained from shareholders wherever required.

Except as mentioned above, there was no pecuniary relationship or transaction of the Directors vis-à-vis the Company. The Company has not granted any stock option to its Directors.

The criteria for making payment to Non-Executive Directors is disclosed on the website of the Company at www.greenlamindustries.com

c) Stakeholders' Relationship Committee

Composition:

As on March 31, 2018 the Stakeholders' Relationship Committee of the Company comprises of 2 (two) promoter Directors of the Company.

Sl. No.	Name of the Committee Members	Category	Designation
1.	Mr. Shiv Prakash Mittal	Non-Executive-Promoter Director	Chairman
2.	Mr. Saurabh Mittal	Executive-Promoter Director	Member

Mr. Prakash Kumar Biswal, Company Secretary & Asst. Vice President - Legal of the Company, acts as the Secretary to the Committee and Compliance Officer of the Company.

Terms of Reference for the Stakeholder's Relationship Committee are as below:

i. 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.

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

iii. 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;

iv. To review and approve requests of dematerialization and re-materialisation of securities of the Company and such other related matters;

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

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

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

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

ix. Monitoring implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of the SEBI (Prohibition of Insider Trading) Regulations, 2015;

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

xi. Such other matters as per the directions of the Board of Directors of the Company and/or as required under Regulation 20 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, from time to time.

The table below gives the number of complaints received, resolved and pending during the financial year 2017-18.

Number of complaints:

Received	Resolved	Pending
2	2	Nil

Meetings and Attendance:

During the financial year 2017-18, 2 (two) meetings were held on December 20, 2017 and March 31, 2018 and the attendances of Committee Members were as follows:

Name of the Committee Members	Category	No. of Meetings	
		Held	Attended
Mr. Shiv Prakash Mittal	Non-Executive-Promoter Director	2	2
Mr. Saurabh Mittal	Executive-Promoter Director	2	2

d) Corporate Social Responsibility Committee

Corporate Social Responsibility (CSR) Committee of the Company is constituted as per Section 135 of the Act, 2013. CSR Committee, inter alia, had formulated and recommended to the Board, a Corporate Social Responsibility Policy which indicates the activities to be undertaken by the Company as specified in Schedule VII to the Act, 2013. The CSR Committee recommends the amount of expenditure to be incurred on the CSR activities and monitor the CSR activities undertaken by the Company from time to time.

Composition of the Committee:

As on March 31, 2018, the Corporate Social Responsibility Committee of the Company comprises of 4 (four) Directors.

Sl. No.	Name of the Committee Members	Category	Designation
1.	Mr. Saurabh Mittal	Executive-Promoter Director	Chairman
2.	Mr. Shiv Prakash Mittal	Non-Executive-Promoter Director	Member
3.	Ms. Parul Mittal	Executive-Promoter Director	Member
4.	Ms. Sonali Bhagwati Dalal	Non-Executive-Independent Director	Member

Terms of Reference of the CSR Committee are as provided hereunder:

(i) To formulate, monitor and recommend to the Board the CSR Policy including the activities to be undertaken by the Company;

(ii) To recommend the amount of expenditure to be incurred on the activities undertaken;

(iii) To monitor the implementation of the framework of Corporate Social Responsibility Policy;

(iv) To evaluate the social impact of the Company's CSR Activities;

(v) To review the Company's disclosure of CSR matters;

(vi) To submit a report on CSR matters to the Board at such intervals and in such format as may be prescribed;

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

Meetings and Attendance:

1 (One) meeting was held on May 25, 2017 and the attendances of Committee Members were as follows:

Name of the Committee Members	Category	No. of Meetings	
		Held	Attended
Mr. Saurabh Mittal	Executive-Promoter Director	1	1
Mr. Shiv Prakash Mittal	Non-Executive-Promoter Director	1	1
Ms. Parul Mittal	Executive-Promoter Director	1	1
Ms. Sonali Bhagwati Dalal	Non-Executive-Independent Director	1	1

Also, a resolution was passed by the members of Corporate Social Responsibility Committee through circulation on March 29, 2018 in compliance with the provisions of Section 175 of the Act, 2013.

e) Operational & Finance Committee

As on March 31, 2018 the Operational & Finance Committee of the Company comprises of 3 (three) Directors.

Sl. No.	Name of the Committee Members	Category	Designation
1.	Mr. Shiv Prakash Mittal	Non-Executive-Promoter Director	Member
2.	Mr. Saurabh Mittal	Executive-Promoter Director	Member
3.	Ms. Parul Mittal	Executive-Promoter Director	Member

The Committee meets as and when required to consider matters assigned to it by the Board of the Company from time to time.

During the financial year 2017-18, 8 (eight) meetings of the Operational & Finance Committee were held on April 10, 2017; May 08, 2017; May 27, 2017; July 01, 2017; August 18, 2017; November 28, 2017; February 07, 2018 and March 24, 2018.

5) Subsidiaries

Details of the subsidiaries of the Company and their business activities are provided in the Directors' Report forming part of the Annual Report of the Company.

6) General Body Meetings

i. The details of previous three Annual General Meeting (AGM) of the shareholders are as under:

Financial Year	Date of AGM	Venue	Time
2016-17	August 21, 2017 [4th AGM]	Registered Office at Makum Road, Tinsukia, Assam-786125	10:15 A.M.
2015-16	August 24, 2016 [3rd AGM]	Registered Office at Makum Road, Tinsukia, Assam-786125	9:30 A.M.
2014-15	August 24, 2015 [2nd AGM]	"ROYALIDE", Hotel Royal Highness, G.N.B Road, Tinsukia, Assam-786125	9:30 A.M.

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

AGM No.	AGM Date	Details of Special Resolutions passed
4th	August 21, 2017	Nil
3rd	August 24, 2016	Nil
2nd	August 24, 2015	Nil

iii. The Details of Special Resolutions passed through postal ballot during the financial year 2017-18:

During the financial year 2017-18, no Resolution was passed through postal ballot.

iv. Person who conducted the Postal Ballot:

Not Applicable

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

vi. Procedure for Postal ballot: Not Applicable.

7) Means of communication

The quarterly/half-yearly/annual financial results of the Company are sent to Stock Exchanges immediately after they are approved by the Board of Directors. These are also published in the prescribed proforma within 48 hours of the conclusion of the meeting of the Board in which they are considered, in English newspaper circulating the whole or substantially the whole of India and in one vernacular newspaper of the state where the registered office of the Company is situated. In addition, these results are simultaneously posted on the Company's website. The official press releases and/or presentation made to institutional investors or to the analysts 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	Aami Asomor Janagan (Assamese daily), Economic Times, Business Standard, Mint, Business Line or Financial Express (English Daily)
Any website, where displayed	www.greenlamindustries.com
Whether it also displays official news releases and presentation made to institutional investors or to the analysts.	Yes

8) General shareholders' information

i.	Date, time and venue of the Annual General Meeting	On Tuesday, August 28, 2018 at 10.15 a.m. at 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.
iii.	Publication of results for the financial year 2018-19 (tentative and subject to change)	a) First quarter results: On or before August 14, 2018. b) Second quarter and half year results: On or before November 14, 2018. c) Third quarter results: On or before February 14, 2019. d) Fourth quarter results and results for the year ending March 31, 2019: On or before May 30, 2019.
iv.	Dates of book closure	From August 22, 2018 to August 28, 2018 (both days inclusive)
v.	Dividend payment date	Between August 31, 2018 and September 06, 2018
vi.	Listing of Equity Shares at Stock Exchanges	BSE Ltd. ("BSE") Floor 25, P. J. Towers, Dalal Street, Fort, Mumbai-400001 National Stock Exchange of India Ltd. ("NSE") Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai-400051
vii.	Payment of Listing Fees	Annual Listing Fees for both the stock exchanges for the financial year 2018-19 has been duly paid by the Company.
viii.	Stock Code/Symbol	BSE Scrip Code: 538979 NSE Symbol: GREENLAM

viii. Market price data for each month during the financial year 2017-18:

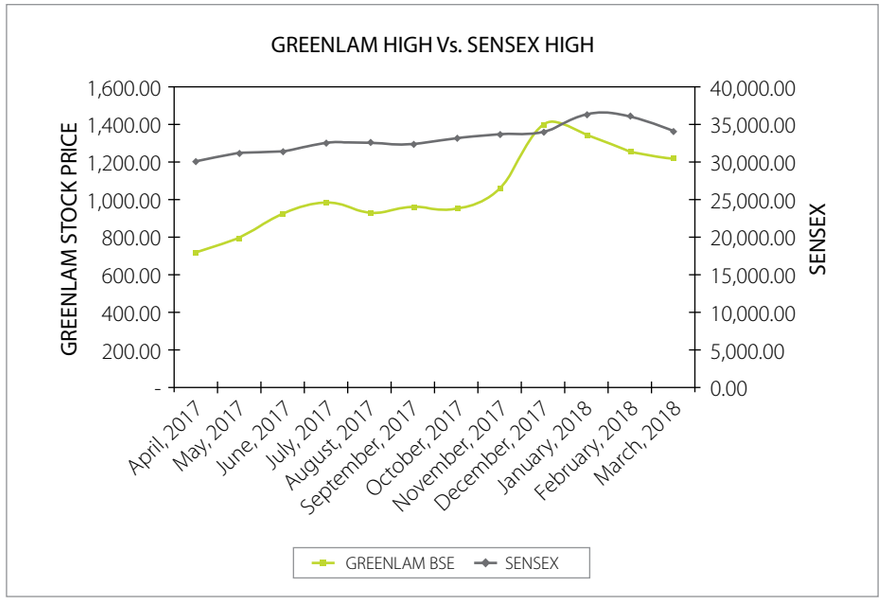
(Amount in ₹)

Month	At BSE		At NSE	
	High	Low	High	Low
April, 2017	721.90	621.00	717.85	650.00
May, 2017	796.95	630.00	799.00	630.00
June, 2017	926.65	746.00	923.90	750.05
July, 2017	987.00	852.75	1,067.20	815.05
August, 2017	935.00	800.00	950.00	775.00
September, 2017	961.85	842.00	975.50	845.00
October, 2017	951.95	882.50	970.00	881.05
November, 2017	1,060.00	925.00	1,060.00	919.00
December, 2017	1,399.95	996.10	1,394.90	1,020.50
January, 2018	1,350.00	1,150.00	1,339.00	1,161.00
February, 2018	1,259.90	1,060.50	1,277.00	1,077.50
March, 2018	1,220.00	1,022.00	1,234.00	1,020.00

ix. E-mail ID for Investors: investor.relations@greenlam.com

x. Performance in comparison to broad based indices - BSE Sensex:

Greenlam Industries Limited share performance:



xi. Suspension of Securities during the financial year 2017-18:

During the financial year 2017-18, the securities of the Company were not suspended from trading.

Registrar & Share Transfer Agent ("R&T Agent")	LINK INTIME INDIA PRIVATE LIMITED Contact: Mr. Bharat Bhushan 44, Community Centre, 2nd floor Naraina Industrial Area, Phase-1 Near PVR Naraina, New Delhi-110028 Phone No.: +91 11 4141 0592 Fax No.: +91 11 4141 0591 Email: delhi@linkintime.co.in
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. The half year Compliance Certificate pursuant to Regulation 40(9) of the SEBI Listing Regulations for the half year ending September 30, 2017 and March 31, 2018 issued by Mr. Pramod Kumar Pal, Practicing Company Secretary, have been duly submitted to stock exchanges.

xii. Distribution of equity shareholding as on March 31, 2018:

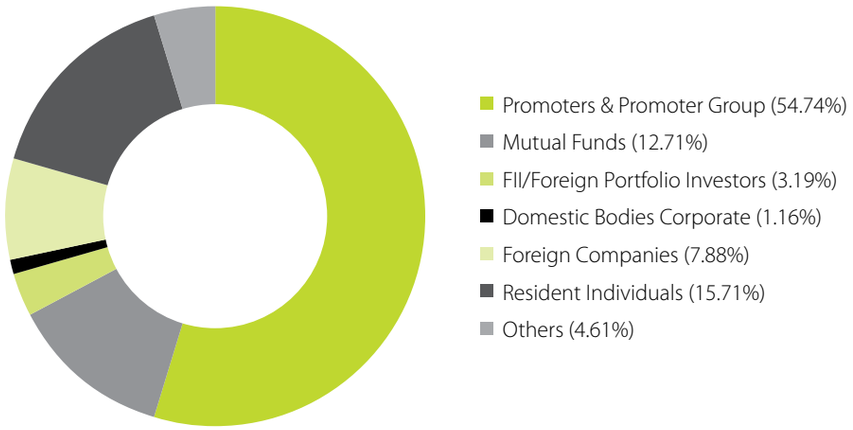
Distribution of shareholding by size is as given below:

Range in number of shares held	Number of shareholders	Percentage of shareholders (%)	Number of shares held	Percentage of shares held (%)
1-500	4,771	91.22	4,43,502	1.84
501-1,000	202	3.86	1,47,811	0.61
1,001-2,000	124	2.37	1,77,335	0.73
2,001-3,000	39	0.75	98,776	0.41
3,001-4,000	21	0.40	73,942	0.31
4,001-5,000	14	0.27	66,384	0.28
5,001-10,000	18	0.34	1,34,490	0.56
10,001 and above	41	0.78	2,29,94,134	95.27
Total	**5,230**	**100.00**	**2,41,36,374**	**100.00**

Note: Please note that the number of shareholders of the Company are not consolidated on the basis of PAN and folio number of shareholders.

xiii. Distribution of shareholding by category as on March 31, 2018 is as given below:

Category of Shareholders	Number of shares	Percentage of shares (%)
Promoters and Promoter Group	1,32,12,628	54.74
Mutual Funds	30,67,470	12.71
FII/Foreign Portfolio Investors	7,70,138	3.19
Domestic Bodies Corporate	2,79,234	1.16
Foreign Companies	19,01,342	7.88
Resident Individuals	37,92,822	15.71
Others	11,12,740	4.61
Total	**2,41,36,374**	**100.00**



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 INE544R01013. Nearly 99.93% of total listed equity shares have been dematerialised as on March 31, 2018.

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

xv. **Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:**

The Company has significant foreign exchange exposure towards imports, exports, foreign currency assets and liabilities. With respect to managing the foreign exchange risks, the Company hedges the net outstanding of foreign currency exposures on fortnightly basis thereby mitigating the foreign exchange risk. The unhedged foreign currency exposure has a natural hedge thereby eliminating majority of foreign exchange risk. Commodity pricing does not have direct bearing but has an indirect bearing on the Company since, some of our chemical consumption is linked to crude prices. The Company maintains a policy of hedging its 60 days of consumption by doing forward buying.

xvi. **Corporate Identity Number (CIN):** L21016AS2013PLC011624

xvii. **Plant locations:**

- E-176-179, RIICO Industrial Estate, Phase II, P.O. Behror, Dist. Alwar, Rajasthan-301701
- Village Paterh Bhonku, Tehsil Nalagarh, Dist. Solan, Himachal Pradesh-174101

xviii. **Address for correspondence:**

Registrar: **Link Intime India Private Limited** Contact: **Mr. Bharat Bhushan** 44, Community Centre, 2nd floor Naraina Industrial Area, Phase-1 Near PVR Naraina, New Delhi-110028 Phone No.: +91 11 4141 0592, Fax No.: +91 11 4141 0591 Email: delhi@linkintime.co.in	Company: **Greenlam Industries Limited** Contact: **Mr. Prakash Kumar Biswal, Company Secretary & Asst. Vice President - Legal** 1501-05, Narain Manzil, 23, Barakhamba Road, New Delhi-110001 Phone No.: +91 11 4279 1399, Fax No.: +91 11 4279 1330 Email: investor.relations@greenlam.com

xix. **Unclaimed Equity Dividend:**

Dividends that are not encashed or claimed, within seven years from the date of its transfer to the unpaid dividend account will, in terms of the provisions of Section 125 the Act, 2013, be transferred to the Investor Education and Protection Fund (IEPF) established by the Government. The details of unclaimed dividend as on March 31, 2018 are as follows:

Sl. No.	Financial Year	Date of Declaration	Dividend per share (₹)	Date of transfer to Unpaid Dividend Account	Amount outstanding as on 31.03.2018 (₹)	Due date for transfer to IEPF
1.	2016-17	21.08.2017	1.50	27.09.2017	29,869.50	27.09.2024
2.	2015-16	24.08.2016	1.00	30.09.2016	25,932.00	30.09.2023
3.	2014-15	24.08.2015	0.50	30.09.2015	10,840.50	30.09.2022

Members who have not encashed their dividend warrants for the above financial years/period may approach the Company for obtaining duplicate dividend warrants/revalidation of dividend warrants.

9) **Other Disclosures**

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

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

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

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

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

f) The Policy for determining material subsidiaries is disclosed on the website of the Company and can be accessed at https://www.greenlamindustries.com/pdf-file/Policy_for_determining_Material_Subsidiaries.pdf

g) The Related Party Transaction Policy is also posted on the Company's website and can be accessed at https://www.greenlamindustries.com/pdf-file/Related_Party_Transaction_Policy.pdf

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

Commodity pricing does not have direct bearing but has an indirect bearing on the Company since some of our chemical consumption is linked to crude prices. The Company maintains a policy of hedging its 60 days of consumption by doing forward buying.

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

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

j) In addition to Directors' Report, a Management Discussion and Analysis Report form part of the Annual Report to the shareholders.

All key managerial personnel and senior management have confirmed that they do not have any material, financial and commercial interest in transactions with the Company that may have a potential conflict with the interest of the Company at large.

k) All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion nor vote on such matters.

l) In order to prevent misuse of any unpublished price sensitive information (UPSI), maintain confidentiality of all UPSI and prohibit any insider trading activity and abusive self-dealing of securities, in the interest of the shareholders at large, the Company has framed a Code of Conduct for Prohibition of Insider Trading Practice. The said Code prohibits the Directors, KMPs and connected persons of the Company from dealing in the securities of the Company on the basis of any unpublished price sensitive information, available to them by virtue of their position in the Company.

The details of dealing in Company's shares by Designated Employees/Designated Persons are quarterly placed before the Audit Committee. The Code also prescribes sanction framework and any instance of breach of code is dealt in accordance with the same. A copy of the said Code is made available to all employees of the Company and compliance of the same is ensured.

Further the Company has framed a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and the same is available on the website of the Company at www.greenlamindustries.com.

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

11) **Compliance Certificate of the Auditors**

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

12) **Disclosures with respect to demat suspense account/unclaimed suspense account**

(a) **Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year:** 9,471 equity share of 67 shareholders

(b) **Number of shareholders who approached the Company for transfer of shares from suspense account during the year:** Nil

(c) **Number of shareholders to whom shares were transferred from suspense account during the year:** Nil

(d) **Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year:** 9,471 equity shares of 67 shareholders

(e) **Aggregate number of shares on which voting rights shall remain frozen till the rightful owner of such shares claims the shares:** 9,471 equity shares

For and on behalf of the Board of Directors

Shiv Prakash Mittal
Non-Executive Chairman
[DIN: 00237242]

Place: New Delhi
Date: May 28, 2018

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

To
The Board of Directors,
Greenlam Industries Ltd.

(a) We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended on March 31, 2018 and that to the best of our knowledge and belief:

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

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

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

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

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

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

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

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

Saurabh Mittal
Managing Director & CEO
[DIN: 00273917]

Ashok Kumar Sharma
Chief Financial Officer

Place: New Delhi
Dated: May 28, 2018

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

To
The Members,
Greenlam Industries Ltd.

In accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended on March 31, 2018.

Saurabh Mittal
Managing Director & CEO
[DIN: 00273917]

Place: New Delhi
Dated: May 28, 2018

Independent Auditor's Certificate

To
The Members,
Greenlam Industries Ltd.

We, D. Dhandaria & Company, Chartered Accountants, the Statutory Auditors of **Greenlam Industries Limited** ('the Company'), have examined the compliance of conditions of Corporate Governance by the Company for the year ended on March 31, 2018, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

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.

Auditor's Responsibility

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

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2018, subject to the following:-

"That on the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on March 31 2018 from being appointed as a director in terms of Section 164 (2) of the Act. However, the name of Ms. Sonali Bhagwati Dalal, Independent Director of the Company was published by the Ministry of the Corporate Affairs (MCA) on its website in the list of directors disqualified under Section 164(2) of the Companies Act, 2013. Pursuant to her petition, the Hon'ble High Court of Delhi has stayed the impugned list of Disqualified Directors to the extent it includes her name. Further, to avail the Condonation of Delay Scheme (CODS), 2018, she has filed an appeal before the National Company Law Tribunal (NCLT) for revival of the concerned defaulting company and the same is pending for disposal. In view of the pendency of the said appeal before NCLT, the Hon'ble High Court of Delhi has vide its order dated May 07, 2018 has extended the stay till disposal of the said appeal by MCA."

We state that in respect of investor grievances received during the year ended March 31, 2018, no investor grievance is pending against the Company, as per the records maintained by the Company and presented to the Stakeholders' Relationship Committee.

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

For **D. DHANDARIA & COMPANY**
Chartered Accountants
ICAI Firm Reg. No. 306147E

Dindayal Dhandaria
Partner
Membership No. 010928

Place of Signature: New Delhi
Dated: May 28, 2018

Financial Section

Independent Auditors' Report

To
The Members of
Greenlam Industries Limited

REPORT ON THE STANDALONE Ind AS FINANCIAL STATEMENTS

We have audited the accompanying standalone Ind AS financial statements of GREENLAM INDUSTRIES LIMITED ("the Company"), which comprise the Balance Sheet as at 31 March 2018, 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 Ind AS 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 2018, 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 2017 and the transition date opening balance sheet as at 1 April 2016 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, 2014 audited by us and our reports for the years ended 31 March 2017 and 31 March 2016 dated 25 May 2017 and 27 May 2016 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 (including other comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
   (e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act. However, the name of Ms. Sonali Bhagwati Dalal, Independent Director of the Company was published by the Ministry of the Corporate Affairs (MCA) on its website in the list of directors disqualified under Section 164(2) of the Companies Act, 2013. Pursuant to her petition, the Hon'ble High Court of Delhi has stayed the impugned list of Disqualified Directors to the extent it includes her name. Further, to avail the Condonation of Delay Scheme (CODS), 2018, she has filed an appeal before the National Company Law Tribunal (NCLT) for revival of the concerned defaulting company and the same is pending for disposal. In view of the pendency of the said appeal before NCLT, the Hon'ble High Court of Delhi has vide its order dated May 07, 2018 has extended the stay till disposal of the said appeal by MCA
   (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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone 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 8th November 2016 to 30th December 2016 and the same are in accordance with books of accounts maintained by the Company and as produced to us by the Management. (Refer note no. 51)

For **D. DHANDARIA & COMPANY**
Chartered Accountants
ICAI Firm Reg. No. 306147E

(Dindayal Dhandaria)
Partner
Membership No. 010928

Place of Signature: New Delhi
Dated : 28th May, 2018

Annexure 'A' Referred to in Paragraph 1 Under 'Report on other Legal and Regulatory Requirements' of our Report of Even Date

Re: Greenlam 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. According to the information and explanation given to us 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 except One Office Premises of Gross Block Value of ₹286.98 lacs and Net Block Value as on 31.03.2018 of ₹225.64 lacs (Previous Year ₹230.44 lacs) is yet to be transferred in the name of the Company pursuant to Scheme of Arrangements.

(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 not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(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) According to the information and explanations given to us, 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 Goods & Services Tax 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 Goods & Services Tax 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, Goods & Services tax on account of any dispute, are as per of Statement of Disputed Dues as under.

Statement of Disputed Dues

Name of the Statute	Nature of the Dues	Amount (₹ in Lacs)	Period to which the amount relates (Financial Year)	Forum where dispute is pending
Rajasthan VAT Act, 2003	Disallowance of Set-off of the Entry Tax in respect of Branch Transfers	58.95	FY 2003 - 2004	Tax Board, Ajmer
Rajasthan VAT Act, 2003	Disallowance of Set-off of the Entry Tax in respect of Branch Transfers	47.55	FY 2004 - 2005	Tax Board, Ajmer

(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) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained. However, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.

(x) To the best of our knowledge and according to the information and explanations given to us by the Management, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported 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

(Dindayal Dhandaria)
Partner
Membership No. 010928

Place of Signature: New Delhi
Dated : 28th May, 2018

Annexure 'B' To The Independent Auditor's Report

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

To
The Members of
Greenlam Industries Limited

We have audited the internal financial controls over financial reporting of GREENLAM INDUSTRIES LIMITED ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone Ind AS 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") issued by the Institute of Chartered Accountants of India 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. 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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 2018, 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 significant accounting policies and other explanatory information, and our report dated 28 May 2018 expressed an unqualified opinion thereon.

For **D. DHANDARIA & COMPANY**
Chartered Accountants
ICAI Firm Reg. No. 306147E

(Dindayal Dhandaria)
Partner
Membership No. 010928

Place of Signature: New Delhi
Dated : 28th May, 2018

Balance Sheet as at 31st March 2018

₹ in Lacs

	Note No.	As At 31st March, 2018	As At 31st March, 2017	As At 1st April, 2016
ASSETS :				
Non-current Assets				
Property, Plant and Equipment	1	31840.32	30910.68	32024.94
Capital Work-in-Progress	2	99.95	535.53	395.28
Other Intangible Assets	3	285.07	330.45	278.53
Financial Assets				
Investments	4	2410.96	2410.96	2410.96
Loans	5	314.32	312.98	1222.88
Other Non-current Assets	6	1761.97	1734.12	1692.26
Total Non-current assets		**36712.59**	**36234.72**	**38024.85**
Current Assets				
Inventories	7	24100.34	20557.60	20737.53
Financial Assets				
Trade Receivables	8	13560.17	11979.53	13081.37
Cash and Cash Equivalents	9	478.07	472.84	57.15
Bank Balances other than above	9	109.54	42.51	40.75
Loans	10	85.18	137.28	113.53
Current Tax Assets (Net)	11	-	15.68	475.67
Other Current Assets	12	2219.07	3565.12	3768.09
Total Current assets		**40552.37**	**36770.56**	**38274.09**
Total Assets		**77264.96**	**73005.28**	**76298.94**
EQUITY AND LIABILITIES:				
Equity:				
Equity Share Capital	13	1206.82	1206.82	1206.82
Other Equity	14	34572.50	29192.72	25317.27
Total Equity		**35779.32**	**30399.54**	**26524.09**
Liabilities:				
Non-current Liabilities :				
Financial Liabilities				
Borrowings	15	8075.00	9527.30	13435.06
Other Financial Liabilities	16	226.50	177.91	192.55
Provisions	17	1552.01	1248.99	912.93
Deferred Tax Liabilities (Net)	18	1945.98	2141.10	1559.72
Total Non-current liabilities		**11799.49**	**13095.30**	**16100.26**
Current Liabilities				
Financial Liabilities				
Borrowings	19	8357.78	10403.48	15011.19
Trade Payables	20	15392.57	12372.82	12841.37
Other Financial Liabilities	21	3968.79	4057.29	3199.84
Other Current Liabilities	22	1576.19	2610.93	2570.48
Provisions	23	117.40	65.92	51.71
Current Tax Liabilities (Net)	24	273.42	-	-
Total Current liabilities		**29686.15**	**29510.44**	**33674.59**
Total Equity and Liabilities		**77264.96**	**73005.28**	**76298.94**
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

(Dindayal Dhandaria)
Partner
Membership No. 010928

Place of Signature : New Delhi
Dated : 28th May, 2018

For and on behalf of Board of Directors of
Greenlam Industries Limited
CIN: L21016AS2013PLC011624

Saurabh Mittal
Managing Director and CEO
(DIN : 00273917)

Ashok Kumar Sharma
Chief Financial Officer

Shiv Prakash Mittal
Non Executive Chairman
(DIN : 00237242)

Prakash Kumar Biswal
Company Secretary & AVP - Legal

Statement of Profit and Loss for the year ended 31st March, 2018

₹ in Lacs

	Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
INCOME:			
Sale of Products		104890.03	97363.96
Other Operating Revenue		2287.48	3721.01
Revenue from Operations	25	**107177.51**	**101084.97**
Other Income	26	218.36	172.83
Total Income		**107395.87**	**101257.80**
EXPENSES:			
Cost of Materials Consumed	27	58419.97	53843.70
Purchase of Stock in Trade	28	1110.70	1179.65
Changes in Inventories of Finished Goods, Stock in Process and Stock in Trade	29	(986.64)	(1362.46)
Excise Duty		1099.73	4053.59
Employees Benefits Expense	30	14121.12	12191.98
Finance Costs	31	1597.69	2544.74
Depreciation and Amortisation Expense	32	3312.37	3339.70
Other Expenses	33	19755.06	18794.45
Total Expenses		**98430.00**	**94585.35**
Profit before Tax		**8965.87**	**6672.45**
Current Tax		3186.17	1705.63
Mat Credit Entitlement		-	855.50
		3186.17	2561.13
Earlier Years Tax		-	63.22
Deferred Tax		(139.99)	(232.82)
Tax Expense		**3046.18**	**2391.53**
Profit for the Year		**5919.69**	**4280.92**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss:			
Remeasurement (gain)/loss on defined benefit plans		(159.28)	(175.82)
Deferred Tax		55.12	60.85
Other Comprehensive Income, net of tax		**(104.16)**	**(114.97)**
Total Comprehensive Income for the year, net of Tax		**5815.53**	**4165.95**
Earnings per Equity Share Face Value ₹5 Each			
Basic and Diluted (in ₹)	35	**24.53**	**17.74**
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

(Dindayal Dhandaria)
Partner
Membership No. 010928

Place of Signature : New Delhi
Dated : 28th May, 2018

For and on behalf of Board of Directors of
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CIN: L21016AS2013PLC011624

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(DIN : 00273917)

Ashok Kumar Sharma
Chief Financial Officer

Shiv Prakash Mittal
Non Executive Chairman
(DIN : 00237242)

Prakash Kumar Biswal
Company Secretary & AVP - Legal

Cash Flow Statement for the year ended 31st March 2018

₹ in Lacs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
A. Cash flows from operating activities		
Profit before Tax	**8965.87**	**6672.45**
Adjustments for:		
Depreciation and Amortisation Expense	3312.37	3339.70
Finance Costs	1597.69	2544.74
Loss on Sale / Discard of Fixed Assets	(0.25)	6.75
Unrealised Foreign Exchange Fluctuations	(125.59)	75.75
Provision for Doubtful Debts	177.48	349.22
Interest Income	(68.85)	(127.11)
Re-measurement gain/(loss) on defined benefit plans	(159.28)	(175.82)
Miscellaneous Expenditure written off	-	15.23
	4733.57	**6028.46**
Operating cash flows before working capital changes	**13699.44**	**12700.91**
Working capital adjustments:		
(Increase) / Decrease in Trade and Other Receivables	(455.85)	848.24
(Increase) / Decrease in Inventories	(3542.74)	179.93
(Decrease) / Increase in Trade Payables	2364.34	(36.12)
	(1634.25)	992.05
Cash Generated from Operations	**12065.19**	**13692.96**
Income Tax Paid	(2897.07)	(1289.32)
Net cash from operating activities	**9168.12**	**12403.64**
B. Cash flows from investing activities		
Acquisition of Fixed Assets	(3818.24)	(2483.80)
Interest amount Capitalised	-	-
Investment	-	-
Sale of Fixed Assets	57.30	30.44
Interest Received	68.85	127.11
Loan Refund from Subsidiary	-	949.54
Net Cash used in Investing Activities	**(3692.09)**	**(1376.71)**
C. Cash flows from financing activities		
Proceeds from Long Term Borrowings	5000.00	-
Short Term Borrowings (Net)	(2045.70)	(4607.71)
Deferred Payment Liabilities (Net)	(27.01)	(28.57)
Miscellaneous Expenditure	-	(15.23)
Repayment of Long Term Borrowings	(6356.20)	(3111.07)
Interest Paid	(1606.14)	(2558.16)
Dividend & Corporate Dividend Tax Paid	(435.75)	(290.50)
Net Cash used in Financing Activities	**(5470.80)**	**(10611.24)**
Net Increase / (Decrease) in Cash and Cash Equivalents	**5.23**	**415.69**
Cash and Cash Equivalents at the beginning of the Year	472.84	57.15
Cash / Cash Equivalents at the close of the Year	**478.07**	**472.84**

Notes:

(i) Standalone Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 specified under Section 133 of the Companies Act, 2013.

(ii) Acquisition of property, plant and equipment includes movements of capital work-in-progress (including capital advances and liability for capital goods) during the year.

(iii) Figures in brackets indicate cash outflows.

As per our annexed report of even date.
For **D. DHANDARIA & COMPANY**
Chartered Accountants
ICAI Firm Reg. No. 306147E

(Dindayal Dhandaria)
Partner
Membership No. 010928

Place of Signature : New Delhi
Dated : 28th May, 2018

For and on behalf of Board of Directors of
Greenlam Industries Limited
CIN: L21016AS2013PLC011624

Saurabh Mittal
Managing Director and CEO
(DIN : 00273917)

Ashok Kumar Sharma
Chief Financial Officer

Shiv Prakash Mittal
Non Executive Chairman
(DIN : 00237242)

Prakash Kumar Biswal
Company Secretary & AVP - Legal

Statement of Changes in Equity for the year ended 31st March 2018

A) EQUITY SHARE CAPITAL ₹ in Lacs

For the year ended 31st March, 2018	1206.82
Balance as at 1st April 2017	-
Changes in equity share capital during the year	**1206.82**
Balance as at 31st March 2017	
For the year ended 31st March, 2017	
Balance as at 1st April 2016	1206.82
Changes in equity share capital during the year	-
Balance as at 31st March 2017	**1206.82**

B) OTHER EQUITY

For the year ended 31st March, 2018 ₹ in Lacs

Particulars	Reserves and Surplus			
	Capital Reserve	General Reserve	Retained Earnings	Total
Balance as at 1st April 2017	15333.48	1000.00	12859.24	29192.72
Profit for the year	-	-	5919.69	5919.69
Dividend on Equity Shares	-	-	(362.05)	(362.05)
Tax on Distribution of Dividend	-	-	(73.70)	(73.70)
Transferred from Statement of Profit and Loss	-	500.00	-	500.00
Transferred to General Reserve	-	-	(500.00)	(500.00)
Other Comprehensive Income/(loss) for the year:				
- Remeasurements of the net defined benefit plans	-	-	(104.16)	(104.16)
Balance as at 31st March 2018	**15333.48**	**1500.00**	**17739.02**	**34572.50**

For the year ended 31st March, 2017 ₹ in Lacs

Particulars	Reserves and Surplus			
	Capital Reserve	General Reserve	Retained Earnings	Total
Balance as at 1st April 2016	15333.48	500.00	9483.79	25317.27
Profit for the year	-	-	4280.92	4280.92
Dividend on Equity Shares	-	-	(241.36)	(241.36)
Tax on Distribution of Dividend	-	-	(49.14)	(49.14)
Transferred from Statement of Profit and Loss	-	500.00	-	500.00
Transferred to General Reserve	-	-	(500.00)	(500.00)
Other Comprehensive Income/(loss) for the year:				
- Remeasurements of the net defined benefit plans	-	-	(114.97)	(114.97)
Balance as at 31st March 2017	**15333.48**	**1000.00**	**12859.24**	**29192.72**

As per our annexed report of even date.
For **D. DHANDARIA & COMPANY**
Chartered Accountants
ICAI Firm Reg. No. 306147E

(Dindayal Dhandaria)
Partner
Membership No. 010928

Place of Signature : New Delhi
Dated : 28th May, 2018

For and on behalf of Board of Directors of
Greenlam Industries Limited
CIN: L21016AS2013PLC011624

Saurabh Mittal
Managing Director and CEO
(DIN : 00273917)

Ashok Kumar Sharma
Chief Financial Officer

Shiv Prakash Mittal
Non Executive Chairman
(DIN : 00237242)

Prakash Kumar Biswal
Company Secretary & AVP - Legal

1.01 DISCLOSURE OF ACCOUNTING POLICIES:

1.01.01 CORPORATE INFORMATION:

GREENLAM Industries Limited (the 'Company') is a public limited company domiciled in India incorporated under the provisions of the Companies Act 1956. Its shares are listed on two recognised stock exchanges in India. The registered office of the company is located at Makum Road, Tinsukia, Assam - 786 125, India.

Company is engaged in the business of manufacturing laminates, decorative veneers , Engineered Wood Flooring, Engineered Door Sets & Door Leaf and allied products through its factories at various locations and branches and dealers' network spread all over the country. It has two wholly owned subsidiary companies operating in overseas countries, viz., Greenlam Asia Pacific Pte Ltd and Greenlam America Inc. It imports raw materials for manufacturing. Manufactured goods are sold both in domestic and overseas markets. The overseas subsidiaries of the company are mainly engaged in marketing and distribution of company's product.

1.01.02 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

These Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 read wtih Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) Amendment Rules, 2016.

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 2016. 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 certain assets and liabilities which have been measured at fair value.

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 evaluate all recently issued all 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 INR, except when 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 the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.02 PROPERTY, PLANT AND EQUIPMENT:

1.02.01 On transition to IND AS, the company has adopted optional exception under IND AS 101 to measure Property, Plant and Equipment at carrying value as per previous GAAP. Consequently the Carrying value has been assumed to be deemed cost of Property, Plant and Equipment on the date of transition. Subsequently, Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

1.02.02 Property, plant and equipment acquired after the transition date are stated at cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

1.02.03 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.

1.02.04 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. Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

1.02.05 Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the costs to the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gain or losses are recognized in the statement of profit and loss.

1.02.06 Property, Plant and Equipments 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.

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 - 3 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 2016 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 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.

1.04.03 Goods-in-process is valued at lower of cost or net realisable value.

1.04.04 Stock of Finished goods is valued at lower of cost or net realisable value.

1.04.05 Stock-in-trade is valued at lower of cost or net realisable value.

1.04.06 Waste and scraps are accounted at estimated realisable value.

1.04.07 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 subsidiaries at cost initially and also on subsequent recognition.

1.06.03 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.

1.06.04 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.

1.06.05 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.

1.06.06 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.

1.08 EQUITY:

1.08.01 Ordinary Shares are classified as equity.

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.

1.09 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. Prior to imposition of Goods and Services Tax (GST), Revenue shown in the Statement of Profit and Loss was inclusive of Excise Duty and the value of self-consumption, but excluded inter-transfers, returns, trade discounts, cash discounts, value added tax and central sales tax. Excise Duty expense was disclosed in Statement of Profit and Loss as expenditure. Post GST, excise duty, value added tax and central sales tax have been subsumed in GST and the Revenue does not include GST, inter-transfers, returns, trade discounts, cash discounts, other benefits passed to customers in kind.

1.09.03 Services: Revenue from Services are recognized as and when the services are rendered. Prior to imposition of Goods and Sevices Tax (GST), the Company collected service tax on behalf of the government and therefore, it was not an economic benefit flowing to the Company and hence excluded from Revenue. Post GST, service tax has been subsumed in GST and the Revenue does not include it.

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.

1.09.07 Export Incentives: Benefit on account of entitlement to import goods free of duty under the Advance Authorisation Scheme, Merchandise Export Incentives Scheme (MEIS), are accounted for on accrual basis at estimated realisable value, as and when exports are made i.e., in the year of export. Profit or loss arising on utilisation of the same and/or sale thereof are accounted for in the year in which either the imports are made against the said Advance License, MEIS and/or the same are sold.

1.09.08 Sums receivable under the Central Government's "Scheme of budgetary support under Goods and Service Tax Regime" to compensate the loss on account of denial of exemption from payment of Central Excise Duty is recognised in the profit or loss of the period in which it becomes receivable, if there is no unfulfilled condition and other contingencies attaching thereto.

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 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 actuarial assumptions of the defined benefit obligation are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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 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) Laminate and Allied products; and (b) Veneer 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

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 achieve 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 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 is Derivative financial instruments.

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 separate major line of business or geographical area of operations; (c) is a subsidiary acquired exclusively with a view to resale.

1.22 EXPENSES FOR CORPORATE SOCIAL RESPONSIBILITY:

1.22.01 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.

1.22.02 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.

1.23 RECENT ACCOUNTING PRONOUNCEMENTS

1.23.1 **Appendix B to Ind AS 21, Foreign currency transactions and advance consideration**

On 28 March 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from 1 April 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material.

1.23.2 **Ind AS 115- Revenue from Contract with Customers**

On 28 March 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

• Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

• Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The effective date for adoption of Ind AS 115 is financial periods beginning on or after 1 April 2018. The Company will adopt the standard on 1 April 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended 31 March 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.

NOTE 1. PROPERTY, PLANT AND EQUIPMENT

₹ in Lacs

Particulars	GROSS BLOCK							DEPRECIATION							NET BLOCK		
	As At 01/04/2016	Addition During The Year	Deduction During The Year	As At 31/03/2017	Addition During The Year	Deduction During The Year	Total As At 31/03/2018	Upto 01/04/2016	For The Year	Adjustment For Deductions	Upto 31/03/2017	For The Year	Adjustment For Deductions	Total As At 31/03/2018	As At 31/03/2018	As At 31/03/2017	As At 01/04/2016
Freehold Land	1095.53	-	-	1095.53	-	1.33	1094.20	-	-	-	-	-	-	-	1094.20	1095.53	1095.53
Land Development	603.11	-	-	603.11	-	-	603.11	6.79	4.11	-	10.90	4.11	-	15.01	588.10	592.21	596.32
Buildings	12131.36	579.79	-	12711.15	141.76	-	12852.91	1756.51	431.06	-	2187.57	444.01	-	2631.58	10221.33	10523.58	10374.85
Plant and Equipments	31712.26	1209.22	26.43	32895.05	3855.21	231.76	36518.50	13500.38	2425.98	24.46	15901.90	2377.64	187.63	18091.91	18426.59	16993.15	18211.88
Furniture and Fixtures	1369.20	95.39	36.10	1428.49	62.54	30.65	1460.38	481.86	151.81	29.26	604.41	154.33	24.02	734.72	725.66	824.08	887.34
Vehicles	724.07	211.14	154.92	780.29	26.20	13.11	793.38	380.72	99.59	128.62	351.69	92.39	10.77	433.31	360.07	428.60	343.35
Heavy Vehicles	12.92	1.39	-	14.31	-	-	14.31	12.14	0.21	-	12.35	0.23	-	12.58	1.73	1.96	0.78
Office Equipments	1069.73	70.80	20.29	1120.24	101.05	22.78	1198.51	554.84	132.04	18.21	668.67	127.36	20.16	775.87	422.64	451.57	514.89
Total	**48718.18**	**2167.73**	**237.74**	**50648.17**	**4186.76**	**299.63**	**54535.30**	**16693.24**	**3244.80**	**200.55**	**19737.49**	**3200.07**	**242.58**	**22694.98**	**31840.32**	**30910.68**	**32024.94**

NOTE 2 . CAPITAL WORK IN PROGRESS

₹ in Lacs

Particulars	GROSS BLOCK							DEPRECIATION							NET BLOCK		
	As At 01/04/2016	Addition During The Year	Deduction During The Year	As At 31/03/2017	Addition During The Year	Deduction During The Year	Total As At 31/03/2018	Upto 01/04/2016	For The Year	Adjustment For Deductions	Upto 31/03/2017	For The Year	Adjustment For Deductions	Total As At 31/03/2018	As At 31/03/2018	As At 31/03/2017	As At 01/04/2016
Capital Work In Progress	395.28	553.41	413.16	535.53	99.97	535.55	99.95	-	-	-	-	-	-	-	99.95	535.53	395.28

NOTE 3. OTHER INTANGIBLE ASSETS

₹ in Lacs

Particulars	GROSS BLOCK							DEPRECIATION							NET BLOCK		
	As At 01/04/2016	Addition During The Year	Deduction During The Year	As At 31/03/2017	Addition During The Year	Deduction During The Year	Total As At 31/03/2018	Upto 01/04/2016	For The Year	Adjustment For Deductions	Upto 31/03/2017	For The Year	Adjustment For Deductions	Total As At 31/03/2018	As At 31/03/2018	As At 31/03/2017	As At 01/04/2016
Trademarks	68.58	-	-	68.58	-	-	68.58	68.58	-	-	68.58	-	-	68.58	-	-	-
Computer Software	407.48	146.81	-	554.29	36.24	-	590.53	128.95	94.89	-	223.84	110.65	-	334.49	256.04	330.45	278.53
Technical Knowhow	304.23	-	-	304.23	30.68	-	334.91	304.23	-	-	304.23	1.65	-	305.88	29.03	-	-
Total	**780.29**	**146.81**	**-**	**927.10**	**66.92**	**-**	**994.02**	**501.76**	**94.89**	**-**	**596.65**	**112.30**	**-**	**708.95**	**285.07**	**330.45**	**278.53**

1.1 Addition to Plant and Equipments includes loss/(gain) of ₹(14.58 lacs) (Previous year ₹(17.07 lacs) on account of fluctuation in Foreign Exchange Rates.

1.2 Borrowing Cost capitalised during the year ₹ Nil (Previous year ₹ Nil), included in tangible assets ₹ Nil (Previous year ₹ Nil) .

4. NON-CURRENT INVESTMENTS

₹ in Lacs

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Number	₹ in Lacs	Number	₹ in Lacs	Number	₹ in Lacs
Investments in Equity Instruments (at Cost)						
Trade						
Unquoted , Fully Paid up						
Subsidiaries						
Greenlam Asia Pacific PTE Ltd - Equity Shares of US$ 1 each	2778865	1670.74	2778865	1670.74	2778865	1670.74
Greenlam America Inc. - Equity Shares of US$ 1 each	1600000	740.22	1600000	740.22	1600000	740.22
Greenlam Europe (UK) Ltd.- Equity Shares of GBP 1 each [₹82 (Previous year ₹82)]	1	0.00	1	0.00	1	0.00
Total		**2410.96**		**2410.96**		**2410.96**
Aggregate amount of Unquoted Investments		2410.96		2410.96		2410.96

5. LOANS NON-CURRENT FINANCIAL ASSETS

(Unsecured, considered good)

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Security Deposits	314.32	312.98	**272.03**
Loans and Advances to a related party	-	-	950.85
Total	**314.32**	**312.98**	**1222.88**

6. OTHER NON-CURRENT ASSETS

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Capital Advances	174.61	177.74	**153.97**
Prepaid Lease Rentals	1516.99	1538.20	1509.16
Security Deposits	70.37	18.18	29.13
Total	**1761.97**	**1734.12**	**1692.26**

7. INVENTORIES

(at lower of cost or net realisable value)

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Raw Materials [including at Customs Warehouse ₹139.45 lacs (Previous year ₹128.53 lacs)]	14043.09	11680.72	**13172.16**
Stock in Process	3755.09	2898.86	1616.53
Finished Goods [including in Transit ₹864.08 lacs (Previous year ₹955.29 lacs)]	4928.90	4799.37	4863.97
Stock In Trade	340.35	330.79	186.06
Certified Emission Reductions (CER)	-	8.68	8.68
Stores & Spares	1032.91	839.18	890.13
Total	**24100.34**	**20557.60**	**20737.53**

7. INVENTORIES *(Contd.)*

7.1 Details of Closing Stock of Raw Materials

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Paper	8746.96	7358.06	8120.57
Veneer	1834.75	2021.61	2419.82
Chemicals	1222.20	1004.98	1039.69
Plywood, Particle Board & MDF	1444.43	721.26	1167.59
Hardware and Accessories	365.34	321.31	257.21
Pine Wood & Core	429.41	253.50	167.28
Total	**14043.09**	**11680.72**	**13172.16**

7.2 Details of Closing Stock of Goods-in-Process

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Decorative Wood	28.87	20.28	21.34
Decorative Laminates	128.33	175.64	118.03
Decorative Veneers	1283.08	1039.37	545.35
Chemicals	82.95	108.73	72.80
Paper	439.91	497.52	298.15
Flooring Planks	1791.95	1057.32	560.86
Total	**3755.09**	**2898.86**	**1616.53**

7.3 Details of Closing Stock of Finished Goods

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Decorative Laminates	4309.54	4170.71	3960.02
Decorative Veneers	211.68	258.16	490.04
Engineered Wood Flooring	358.29	300.04	383.36
Melamine Faced Chipboards	29.76	8.44	7.03
Engineered Door Sets & Door Leaf	19.63	62.02	23.52
Total	**4928.90**	**4799.37**	**4863.97**

7.4 Details of Closing Stock of Stock in Trade

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Engineered Wood Flooring and Accessories	132.43	169.65	169.24
Decorative Laminates	207.92	161.14	16.82
Total	**340.35**	**330.79**	**186.06**

7.5 CERs held in inventory

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Numbers	Numbers	Numbers
CERs held in inventory	-	59864	59864

8. TRADE RECEIVABLES

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Outstanding for a period exceeding six months from date due for payment			
Unsecured, considered good	617.00	477.50	263.50
Unsecured, considered doubtful	765.78	659.58	344.75
	1382.78	1137.08	608.25
Less : Provision for Doubtful Trade Receivables *	765.78	659.58	344.75
	617.00	477.50	263.50
Other debts			
Secured, considered good	243.95	106.37	172.24
Unsecured, considered good	12699.22	11395.66	12645.63
Unsecured, considered doubtful	152.63	81.35	46.96
	13095.80	11583.38	12864.83
Less : Provision for Doubtful Trade Receivables *	152.63	81.35	46.96
	12943.17	11502.03	12817.87
Total	**13560.17**	**11979.53**	**13081.37**
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 estimated by the Management

9. CASH & BANK BALANCES

9.1 Cash & Cash Equivalents

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Balances with Banks - on Current Accounts	469.65	460.02	45.35
Cash on Hand	8.42	12.82	11.80
(A)	478.07	472.84	57.15

9.2 Other Bank Balances

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Cheque in Hand	66.85	-	-
Balances with Banks - unpaid dividend	0.67	0.34	0.11
Term Deposits with Banks			
(Receipts pledged with banks & others as security deposits)			
Maturity within 12 months	42.02	42.17	40.64
(B)	**109.54**	**42.51**	**40.75**
Total (A+B)	**587.61**	**515.35**	**97.90**

10. LOANS - CURRENT FINANCIAL ASSETS

(Unsecured, considered good)

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advance to Employees			
Unsecured, considered good	85.18	137.28	113.53
Total	**85.18**	**137.28**	**113.53**

11. CURRENT TAX ASSETS (Net)

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advance Payment of Income Tax (Less Provision)	-	15.68	475.67
Total	**-**	**15.68**	**475.67**

12. OTHER CURRENT ASSETS

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Loans and Advances to a related party	-	-	1.04
Advance against Purchases	408.12	305.15	257.09
Service Tax Input Credit Receivable	-	177.48	228.19
Insurance Claim Receivable	118.5	92.03	95.12
Balance with Authorities	445.61	325.97	405.07
Advance Payment of Sales Tax	169.33	254.29	177.07
Export Incentive Receivable	682.99	1990.02	2296.88
Budgetary Support Under GST Regime Receivable	148.45	-	-
Prepaid Expenses	224.89	397.65	281.84
Unmatured Finance Charges	-	1.44	5.4
Prepaid Lease Rentals	21.15	21.09	20.39
Derivative Instruments-Mark to Market valuation	0.03	-	-
Total	**2219.07**	**3565.12**	**3768.09**

13. EQUITY SHARE CAPITAL

13.1 Authorised

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Number	₹ in Lacs	Number	₹ in Lacs	Number	₹ in Lacs
Equity Shares of ₹5 each	30000000	1500.00	30000000	1500.00	30000000	1500.00

13.2 Issued, Subscribed and Fully Paid up

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Number	₹ in Lacs	Number	₹ in Lacs	Number	₹ in Lacs
Equity Shares of ₹5 each	24136374	1206.82	24136374	1206.82	24136374	1206.82

13.3 The reconciliation of the number of shares outstanding

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Number	₹ in Lacs	Number	₹ in Lacs	Number	₹ in Lacs
Equity Shares at the beginning of the year	24136374	1206.82	24136374	1206.82	24136374	1206.82
Add : Allotted during the year	-	-	-	-	-	-
Total	**24136374**	**1206.82**	**24136374**	**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 ₹5 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.

During the year, the amount of per share dividend recognized as distribution to equity shareholders was ₹1.50 (Previous year ₹1.00)

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. EQUITY SHARE CAPITAL *(Contd.)*

13.5 Name of the Shareholders holding more than 5% Shares

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Number	%	Number	%	Number	%
EQUITY SHARES						
Greenply Leasing & Finance Pvt Ltd	8966114	37.15%	2724481	11.29%	2724481	11.29%
Saurabh Mittal	3206534	13.29%	3206534	13.29%	3306534	13.70%
Westbridge Crossover Fund LLC	1901342	7.88%	1901342	7.88%	1901342	7.88%
HDFC Trustee Company Ltd	2174376	9.01%	1779376	7.37%	1826049	7.57%
Ashish Dhawan	1362824	5.65%	1680969	6.96%	2032969	8.42%
Jwalamukhi Investment Holding *	-	-	1281634	5.31%	-	-
S.M.Management Pvt Ltd *	-	-	3543462	14.68%	3543462	14.68%
Prime Holdings Pvt Ltd *	-	-	2408560	9.98%	2408560	9.98%

* Comparative figure are not given as % of holding is below 5%.

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 (i.e. since incorporation) has:

i. Allotted 2,42,36,374 equity shares as fully paid and cancelled 1,00,000 equity shares pursuant to Scheme of Arrangement without payment being received in cash.

ii. Not allotted fully paid up shares by way of bonus shares

iii. Not bought back any class of shares.

14. OTHER EQUITY ₹ in Lacs

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
Capital Reserve						
Balance as per last Financial Statements		15333.48		15333.48		15333.48
General Reserve						
Balance as per last Financial Statements	1000.00		500.00		100.00	
Add: Transferred from Statement of Profit and Loss	500.00		500.00		400.00	
		1500.00		1000.00		500.00
Retained Earnings						
Retained Earnings other than OCI						
Balance as per last Financial Statements	12974.21		9483.79		5849.99	
Add : Profit for the year	5919.69		4280.92		4033.80	
Add : Transfer to Other Comprehensive Income						
Less : Ind AS Transition Date adjustments						
Less : Transferred to General Reserve	500.00		500.00		400.00	
Less : Dividend on Equity Shares	362.05		241.36		-	
Less : Tax on Distribution of Dividend	73.70		49.14		-	
	17958.15		12974.21		9483.79	
Other Comprehensive Income (OCI)						
As per last Balance Sheet	(114.97)		(175.82)		-	
Remeasurements of the net defined benefit plans	(104.16)		60.85		-	
	(219.13)		(114.97)		-	
		17739.02		12859.24		9483.79
Total		**34572.50**		**29192.72**		**25317.27**

15. NON CURRENT FINANCIAL LIABILITIES ₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
BORROWINGS			
Secured			
Term Loans			
From Banks			
Foreign Currency Loans	512.44	1537.57	2608.26
Rupee Loans	11524.95	11856.16	13925.55
	12037.39	13393.73	16533.81
Less : Current maturities of Long Term Borrowings	3962.39	3866.43	3125.76
	8075.00	9527.30	13408.05
Deferred Payment Liabilities	-	27.01	54.02
Less: Current maturities of Deferred Payment Liabilities	-	27.01	27.01
	-	-	27.01
	8075.00	9527.30	13435.06
Unsecured			
Deferred Payment Liabilities	-	-	1.56
Less: Current maturities of Deferred Payment Liabilities	-	-	1.56
Total	**8075.00**	**9527.30**	**13435.06**

15.1 Term Loans of ₹12043.07 lacs (including prepaid processing fees ₹5.68 lacs) are secured by first pari-passu charge on all movable fixed assets of the Company, present and future, first pari-passu charge on immovable fixed assets of the Company's units at (a) Behror (Rajasthan) and (b) Nalagarh (Himachal Pradesh), second pari-passu charge on all current assets of the Company, present and future.

15.2 Terms of Repayment and Rate of Interest of Term Loans ₹ in Lacs

		Repayment Schedule				
	Rate of Interest	2018-19*	2019-20	2020-21	2021-22	2022-23
Term Loans from Banks						
Secured						
2 Quarterly Installments	4.37%	513.07	-	-	-	-
12 Quarterly Installments	8.50%	1000.00	1000.00	1250.00	-	-
19 Quarterly Installments	8.13%	1000.00	1000.00	1000.00	1000.00	750.00
9 Quarterly Installments	8.35%	1455.00	1660.00	415.00	-	-
Prepaid Processing Fees		(5.68)	-	-	-	-
Total		**3962.39**	**3660.00**	**2665.00**	**1000.00**	**750.00**

* Represents Current Maturities of Long Term Borrowings.

15.3 The Company has not defaulted in repayment of loans and interest during the period.

16. NON CURRENT-OTHER FINANCIAL LIABILITIES ₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Others			
Security Deposits from Customers	226.50	177.91	192.55

17. NON CURRENT PROVISIONS

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Provisions for Employee Benefits (unfunded)			
For Gratuity	1053.95	827.96	627.10
For Leave Encashment	498.06	421.03	285.83
Total	**1552.01**	**1248.99**	**912.93**

18. DEFERRED TAX LIABILITIES (NET) :

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
DEFERRED TAX LIABILITIES :			
Depreciation	2625.60	2406.73	2128.94
Others	467.93	855.61	901.70
	3093.53	3262.34	3030.64
LESS : DEFERRED TAX ASSETS :			
Provision for Gratuity/Liabilities	1147.55	1121.24	595.88
LESS : MAT CREDIT :			
MAT Credit Entitlement	-	-	875.04
Total	**1945.98**	**2141.10**	**1559.72**

19. CURRENT FINANCIAL LIABILITIES

₹ in Lacs

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
BORROWINGS						
Secured						
Loans Repayable on Demand						
Working Capital Loans						
From Banks						
Rupee Loans		6207.78		2999.63		6841.17
Unsecured						
Other Loans and advances						
From Banks	1500.00					
Foreign Currency Loan - Buyers' Credit	-		-		1982.13	
Vendor Bill discounting	-		5610.58		5437.89	
Channel Finance Assurance Facility	650.00		1793.27		750.00	
		2150.00		**7403.85**		**8170.02**
Total		**8357.78**		**10403.48**		**15011.19**

19.1 Working Capital Loans of ₹6207.78 lacs are secured by first pari-passu charge on all current assets of the company, present and future, second pari-passu charge on all movable fixed assets of the company, present and future, second pari-passu charge on immovable fixed assets of the company's units at (a) Behror (Rajasthan) and (b) Nalagarh (Himachal Pradesh).

19.2 The Company has not defaulted in repayment of loans and interest during the period.

20. CURRENT FINANCIAL LIABILITIES

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
TRADE PAYABLES			
Dues to Micro and Small Enterprises	85.85	-	-
(Refer Note No. 46)			
Dues to Other than Micro and Small Enterprises	15306.72	12372.82	12841.37
Total	**15392.57**	**12372.82**	**12841.37**

21. CURRENT-OTHER FINANCIAL LIABILITIES

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Current maturities of Long Term Borrowings*	3962.39	3866.43	3125.76
Current maturities of Deferred Payment Liabilities*	-	27.01	28.57
Interest Accrued but not due on borrowings	5.73	77.53	40.34
Unpaid Dividend	0.67	0.34	0.11
Derivative Instruments-Mark to Market valuation	-	85.98	5.06
Total	**3968.79**	**4057.29**	**3199.84**

* The terms are stated in notes nos. 15.1 to 15.3

21.1 Amount due and outstanding to be credited to the Investor Education and Protection Fund ₹ Nil (Previous period ₹ Nil)

22. OTHER CURRENT LIABILITIES

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advance from Customers	444.64	549.38	421.04
Statutory Dues	1053.00	1997.99	2074.75
Provision for Cash Discount	78.55	63.56	74.69
Total	**1576.19**	**2610.93**	**2570.48**

23. CURRENT PROVISIONS

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Provision for employee benefits (unfunded)			
Gratuity	53.31	25.49	27.01
Leave Salary	64.09	40.43	24.70
Total	**117.40**	**65.92**	**51.71**

24. CURRENT TAX LIABILITIES (NET)

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Provision for Taxation (Net of advance)	273.42	-	-
Total	**273.42**	**-**	**-**

25. REVENUE FROM OPERATIONS

₹ in Lacs

	For the year ended 31st March,2018		For the year ended 31st March,2017	
Sale of Products (including Excise Duty)				
Manufactured Goods		104890.03		97363.96
Other Operating Revenue				
Export Incentive Received	2001.14		3537.11	
Insurance Claim Received	62.05		60.81	
Budgetary Support Under GST Regime	148.45		-	
Miscellaneous Income	75.84	2287.48	123.09	3721.01
		107177.51		101084.97
Total		**107177.51**		**101084.97**

25.1 Company's unit at Nalagarh (Himachal Pradesh) was exempt from levy of Central Excise Duty under old Tax regime till 30th June 2017. Thereafter it is entitled to Budgetary support under GST regime.

25.2 Post the applicability of Goods and Services Tax (GST) with effect from 1 July 2017, revenue from operations are disclosed net of GST, whereas excise duty formed part of expenses in the previous year and also for part of the current year till 30th June 2017. Accordingly, revenue from operations and Expenses for the year ended 31 March 2018 are not comparable with the previous year presented in the financial statements.

25.3 PARTICULARS OF SALE OF PRODUCTS

₹ in Lacs

	For the year ended 31st March,2018	For the year ended 31st March,2017
Decorative Laminates	87381.66	80834.38
[including exports ₹34431.04 lacs (Previous year ₹33190.02 lacs)]		
Decorative Veneers	12100.77	11939.11
[including exports ₹152.11 lacs (Previous year ₹15.53 lacs)]		
Engineered Wood Flooring	2681.68	2014.19
[including exports ₹91.82 lacs (Previous year ₹1.97 lacs)]		
Melamine Faced Chipboards	547.46	683.30
Engineered Door Sets & Door Leaf	1563.26	1,082.34
[including exports ₹640.77 lacs (Previous year ₹576.21 lacs)]		
Others	615.20	810.64
[including exports ₹1.14 lacs (Previous year ₹6.57 lacs)]		
Total	**104890.03**	**97363.96**

26. OTHER INCOME

₹ in Lacs

	For the year ended 31st March,2018	For the year ended 31st March,2017
Interest Income	68.85	127.11
Liabilities no longer required written back	72.58	45.72
Gain on Sale of Fixed Assets	3.03	-
Corporate Guaranttee Commission	73.90	-
Total	**218.36**	**172.83**

27. COST OF MATERIALS CONSUMED

₹ in Lacs

	For the year ended 31st March,2018		For the year ended 31st March,2017	
Paper		32266.31		30796.28
Decorative Wood		398.09		304.59
Veneer		3270.14		3177.45
Chemicals		17681.50		15391.21
Plywood, Particle Board, MDF and Pine Wood		4173.91		3669.65
Hardware and Accessories		630.02		504.52
Total		**58419.97**		**53843.70**
	(%)		(%)	
Imported	62.43	36470.23	61.88	33319.74
Indigenous	37.57	21949.74	38.12	20523.96
Total	**100.00**	**58419.97**	**100.00**	**53843.70**

27.1 Cost of Materials Consumed includes cost of materials sold ₹142.22 lacs (Previous year ₹641.84 lacs)

28. PURCHASE OF STOCK IN TRADE

₹ in Lacs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Decorative Veneers	200.61	241.39
Decorative Laminates	717.79	821.13
Engineered Wood Flooring and Accessories	192.30	117.13
Total	**1110.70**	**1179.65**

29. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS AND STOCK IN TRADE

₹ in Lacs

	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
OPENING STOCK				
Finished Goods	4799.37		4863.97	
Stock in Trade	330.79		186.06	
Certified Emission Reductions (CER)	8.68		8.68	
Goods-in-Process	2898.86	8037.70	1616.53	6675.24
CLOSING STOCK				
Finished Goods	4928.90		4799.37	
Stock in Trade	340.35		330.79	
Certified Emission Reductions (CER)	-		8.68	
Goods-in-Process	3755.09	9024.34	2898.86	8037.70
Total		**(986.64)**		**(1362.46)**

30. EMPLOYEES BENEFITS EXPENSE

₹ in Lacs

	For the year ended 31st March,2018	For the year ended 31st March,2017
Salary, Wages and Bonus	13132.64	11373.55
Contribution to Provident Fund & Employees' State Insurance	633.21	530.53
Employees' Welfare Expenses	355.27	287.90
Total	**14121.12**	**12191.98**

30. EMPLOYEES BENEFITS EXPENSE *(Contd.)*

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.

iii) Actuarial Valuation of Gratuity Liability :

₹ in Lacs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
a. **Defined Benefit Cost**		
Current Service Cost	152.17	127.74
Interest Expense on Defined Benefit Obligation (DBO)	62.90	52.33
Defined Benefit Cost included in Profit and Loss	**215.07**	**180.07**
Remeasurements - Due to Financial Assumptions	62.33	12.86
Remeasurements - Due to Experience Adjustments	22.65	47.67
Defined Benefit Cost included in Other Comprehensive Income	**84.99**	**60.53**
Total Defined Benefit Cost in Profit and Loss and OCI	**300.06**	**240.60**
b. **Movement in Defined benefit liability:**		
Opening Defined Benefit Obligation	853.45	654.10
Interest Expense on Defined Benefit Obligation (DBO)	62.90	52.33
Current Service Cost	152.17	127.74
Total Remeasurements included in OCI	84.99	60.53
Less: Benefits paid	(46.24)	(41.25)
Closing benefit obligation	**1107.26**	**853.45**
Current Liabilities of Closing benefit obligation	53.31	25.49
Non-Current Liabilities of Closing benefit obligation	1053.95	827.96
	1107.26	**853.45**
c. Sensitivity Analysis:		
Under Base Scenario		
Salary Escalation - Increase by 0.50%	73.07	58.15
Salary Escalation - Decrease by 0.50%	(67.35)	(53.50)
Discount Rates - Increase by 0.50%	(66.21)	(52.38)
Discount Rates - Decrease by 0.50%	72.43	57.37
d. **Actuarial assumptions:**		
Mortality Table	IALM 2006-2008	IALM 2006-2008
Discount Rate (per annum)	7.71%	7.37%
Expected rate of return on plan assets (per annum)	-	-
Rate of escalation in salary (per annum)	6.30%	5.50%
Withdrawal rates:		
Up to 30 Years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

30. EMPLOYEES BENEFITS EXPENSE *(Contd.)*

iv) Actuarial Valuation of Leave Encashment Liability :

₹ in Lacs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Defined Benefit Cost		
Current Service Cost	106.93	101.63
Interest Expense on Defined Benefit Obligation (DBO)	**34.01**	**24.84**
Defined Benefit Cost included in Profit and Loss	140.94	126.47
Remeasurements - Due to Financial Assumptions	31.69	7.13
Remeasurements - Due to Experience Adjustments	42.59	108.17
Defined Benefit Cost included in Other Comprehensive Income	**74.28**	**115.30**
Total Defined Benefit Cost in Profit and Loss and OCI	**215.22**	**241.77**
Movement in Defined benefit liability:		
Opening Defined Benefit Obligation	461.46	310.52
Interest Expense on Defined Benefit Obligation (DBO)	34.01	24.84
Current Service Cost	106.93	101.63
Total Remeasurements included in OCI	74.28	115.30
Less: Benefits paid	(114.53)	(90.83)
Closing benefit obligation	**562.15**	**461.46**
Current Liabilities of Closing benefit obligation	64.09	40.43
Non-Current Liabilities of Closing benefit obligation	498.06	421.03
	562.15	**461.46**
Sensitivity Analysis:		
Under Base Scenario		
Salary Escalation - Increase by 0.50%	36.85	30.51
Salary Escalation - Decrease by 0.50%	(33.91)	(30.39)
Discount Rates - Increase by 0.50%	(33.34)	(29.78)
Discount Rates - Decrease by 0.50%	36.52	30.09
Actuarial assumptions:		
Mortality Table	IALM 2006-2008	IALM 2006-2008
Discount Rate (per annum)	7.71%	7.37%
Expected rate of return on plan assets (per annum)	-	-
a. Rate of escalation in salary (per annum)	6.30%	5.50%
Withdrawal rates:		
Up to 30 Years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Leave Availment Rate	4.00%	4.00%

v) Amount incurred as expense for defined contribution to Provident Fund is ₹505.94 lacs (Previous Year ₹451.89 lacs).

31. FINANCE COSTS

₹ in Lacs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest Expense	1553.50	2435.15
Other Borrowing Cost	44.19	109.59
Total	**1597.69**	**2544.74**

31.1 Borrowing Cost capitalised during the year ₹ Nil (Previous year ₹ Nil lacs). (Refer Note No. 1.2)

32. DEPRECIATION & AMORTISATION EXPENSE

₹ in Lacs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Depreciation Expense	3195.96	3244.81
Amortisation Expense	116.41	94.89
Total	**3312.37**	**3339.70**

33. OTHER EXPENSES

₹ in Lacs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Consumption of stores and spares	655.34	861.76
Power & Fuel	3211.26	2673.91
Rent	720.68	704.13
Repairs to buildings	81.93	61.69
Repairs to machinery	792.61	813.00
Insurance	153.27	182.76
Rates and taxes	10.68	234.86
Travelling expenses	1146.28	1125.42
Freight & delivery expenses	2869.16	2732.91
Export Expenses	2954.39	2337.49
Advertisement & Sales promotion	3643.50	3313.19
Auditors' Remuneration	17.16	17.37
Secretarial Auditor's Remuneration	1.10	1.01
Expenditure on CSR Activities	113.50	67.76
Provision for Doubtful Debts	177.48	349.22
Loss on Sale / Discard of Assets	2.78	6.75
Directors' Sitting Fees *	10.21	8.39
Independent Directors' Commission *	30.00	34.50
Miscellaneous Expenditure written off	-	15.23
Amortisation of Prepaid Lease Rentals	21.15	21.09
Loss due to Fluctuation in Foreign Exchange Rates	60.81	357.57
Other General Expenses	3081.77	2874.44
Total	**19755.06**	**18794.45**

* Inclusive of Service tax

33.1 CONSUMPTION OF STORES AND SPARES

₹ in Lacs

Imported	151.26	83.13
Indigenous	504.08	778.63
Total	**655.34**	**861.76**

33.2 AUDITORS' REMUNERATION

₹ in Lacs

As Auditors	15.50	15.58
For other services	1.66	1.79
Total	**17.16**	**17.37**

Note : Fees are exclusive of cenvatable service tax and Goods & Services Tax

33.3 CONTRIBUTION FOR CSR ACTIVITIES

₹ in Lacs

(a) Gross Amount required to be spent by the Company during the year	113.29	67.47
(b) Amount spent during the year in Cash on :		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above		
- Contribution towards Woman and Child Health Care	51.03	38.98
- Contribution towards Education of Orphan Girl Child	28.50	22.77
- Contribution towards promotion of education,health and livelihood.	33.97	6.01
	113.50	**67.76**

34. TAXATION

₹ in Lacs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Tax Expense recognised in the Statement of Profit and Loss:		
Current Tax Expense	3186.17	1705.63
Mat Credit Entitlement	-	855.50
Income Tax Expense	**3186.17**	**2561.13**
Earlier Years Tax Expense	-	63.22
Income Tax Expense including Earlier year tax	**3186.17**	**2624.35**
Deferred Tax	(139.99)	(232.82)
Total Tax Expense in Statement of Profit and Loss	**3046.18**	**2391.53**
Reconciliation of Tax Expense recognised in the Statement of Profit and Loss:		
Profit before Tax as per Statement of Profit and Loss	8965.87	6672.45
Re-measurement gain/(loss) on defined benefit plans in OCI	(159.28)	(175.82)
Changes in Profit before tax due to Ind AS Transition	-	232.03
Accounting Profit before Tax	**8806.59**	**6728.66**
Applicable Income Tax rate	34.608%	34.608%
Computed Tax expense	**3047.78**	**2328.65**
Additional deductions for tax purpose	(302.03)	(11.86)
Expense not allowed for tax purpose	40.37	24.40
Timing difference of Depreciation	(228.57)	(112.29)
Timing difference of Liabilities	628.62	332.23
Earlier Years Tax Expense	-	63.22
Income Tax charged to Statement of Profit and Loss (A)	**3186.17**	**2624.35**
Reconciliation of Deferred Tax Liability:		
Timing difference of Depreciation	228.57	122.46
Timing difference of Liabilities	(423.69)	(416.13)
Deferred Tax in Statement of Profit and Loss	**(195.12)**	**(293.67)**
Timing difference of Liabilities in Other Comprehensive Income	55.12	60.85
Deferred Tax in Total Comprehensive Income (B)	**(139.99)**	**(232.82)**
Tax Expense recognised in Statement of Profit & Loss (A+B)	**3046.18**	**2391.53**
Effective Tax Rate	**34.59%**	**35.54%**

35. EARNINGS PER SHARE

₹ in Lacs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Calculation of weighted average number of equity shares of ₹5 each		
No of Shares at the beginning of the year	24136374	24136374
Total number of equity shares outstanding at the end of the year	24136374	24136374
Weighted average number of equity shares outstanding during the year	24136374	24136374
Net Profit (after tax, available for equity shareholders)	5919.69	4280.92
BASIC AND DILUTED EARNINGS PER SHARE (in ₹)	**24.53**	**17.74**

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,2018

Notes on Financial Statements for the Year Ended 31st March, 2018

36. SEGMENT REPORTING *(Contd.)*

Information about Business Segments - Primary

₹ in Lacs

REPORTABLE SEGMENT	LAMINATE & ALLIED PRODUCTS		VENEER & ALLIED PRODUCTS		UN ALLOCATED		TOTAL	
	FOR THE PERIOD ENDED 31.03.2018	FOR THE YEAR ENDED 31.03.2017	FOR THE PERIOD ENDED 31.03.2018	FOR THE YEAR ENDED 31.03.2017	FOR THE PERIOD ENDED 31.03.2018	FOR THE YEAR ENDED 31.03.2017	FOR THE PERIOD ENDED 31.03.2018	FOR THE YEAR ENDED 31.03.2017
REVENUE								
External Sales	88506.98	82053.87	16383.05	15310.09	-	-	104890.03	97363.96
Inter-segment Sales	-	-	-	-	-	-	-	-
Gross Sales	**88506.98**	**82053.87**	**16383.05**	**15310.09**	**-**	**-**	**104890.03**	**97363.96**
Other Operating Income	2231.64	3702.04	55.84	18.97	-	-	2287.48	3721.01
Revenue from Operation	**90738.62**	**85755.91**	**16438.89**	**15329.06**	**-**	**-**	**107177.51**	**101084.97**
RESULT								
Segment Result	14299.11	12218.16	1463.39	(196.36)	-	-	15762.50	12021.80
Unallocated Corporate Expenses					5267.79	2931.72	5267.79	2931.72
Operating Profit							**10494.71**	**9090.08**
Less : Interest Expense					1597.69	2544.74	1597.69	2544.74
Add : Interest Income					68.85	127.11	68.85	127.11
Profit before Tax							**8965.87**	**6672.45**
Current Tax including Earlier Year Tax							3186.17	2624.35
Deferred Tax							(139.99)	(232.82)
Profit after Tax							**5919.69**	**4280.92**
Other Comprehensive Income							104.16	114.97
Total Comprehensive Income for the year, net of Tax							**5815.53**	**4165.95**
OTHER INFORMATION								
Segment Assets	50813.27	47236.01	22242.15	22385.70	4209.54	3383.57	77264.96	73005.28
Segment Liabilities	14844.44	13052.00	2529.44	2571.37	1770.61	1017.05	19144.49	16640.42
Loan Fund					20395.17	23824.22	20395.17	23824.22
Deferred Tax Liabilities (Net)					1945.98	2141.10	1945.98	2141.10
Shareholders' Funds					35779.32	30399.54	35779.32	30399.54
Total Liabilities							77264.96	73005.28
Capital Expenditure	3572.27	1477.18	174.13	668.43	71.84	338.19	3818.24	2483.80
Depreciation	2093.27	2200.74	902.90	872.43	316.20	266.53	3312.37	3339.70

Secondary Segment - Geographical by location of customers

₹ in Lacs

	Revenue		Carrying Amount of Segment Assets		Additions to Fixed Assets	
	FOR THE YEAR ENDED 31.03.2018	FOR THE YEAR ENDED 31.03.2017	FOR THE YEAR ENDED 31.03.2018	FOR THE YEAR ENDED 31.03.2017	FOR THE YEAR ENDED 31.03.2018	FOR THE YEAR ENDED 31.03.2017
Within India	69573.16	64739.79	77264.96	73005.28	3815.88	2483.80
Outside India	35316.87	32624.17	-	-	2.36	-
	104890.03	**97363.96**	**77264.96**	**73005.28**	**3818.24**	**2483.80**

NOTES:

a) Business Segments :

A description of the types of products and services provided by each reportable segment is as follows:

Laminate & Allied Products: The Segment is engaged in the business of manufacturing of Laminates, compact laminates and other allied products through its wholesale and retail network.

Veneer & Allied Products: The Segment is engaged in the business of manufacturing of Decorative veneers, Engineered Wood Flooring, Engineered Door Sets & Door Leaf 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).

37. RELATED PARTY DISCLOSURES

37.1 List of related parties and relationship:

a) Related parties where control exists Subsidiary Companies

i) Greenlam Asia Pacific Pte. Ltd.
ii) Greenlam America, Inc.
iii) Greenlam Europe (UK) Ltd.
iv) Greenlam Asia Pacific (Thailand) Co. Ltd.
v) Greenlam Holding Co. Ltd.
vi) Pt. Greenlam Asia Pacific

b) Related parties with whom transactions have taken place during the year

Key Management Personnel

i) Mr. Saurabh Mittal, Managing Director & CEO
ii) Ms. Parul Mittal, Whole-Time Director
iii) Mr. Vijay Kumar Chopra, Independent Director
iv) Ms. Urvashi Saxena, Independent Director
v) Ms. Sonali Bhagwati Dalal, Independent Director
vi) Mr. Ashok Kumar Sharma, Chief Financial Officer
vii) Mr. Prakash Kumar Biswal, Company Secretary

Enterprises Owned/Influenced by Key Management Personnel or their relatives

i) Himalaya Granites Ltd.
ii) Greenply Industries Ltd.

Relatives of Key Management Personnel

i) Ms. Parul Mittal (Wife of Mr. Saurabh Mittal)
ii) Seema Realcon Pvt Ltd (Brother of Mrs Parul Mittal is a Director in Seema Realcon Pvt Ltd.)

37. RELATED PARTY DISCLOSURES *(Contd.)*

37.2 TRANSACTIONS DURING THE YEAR:

₹ in Lacs

Particulars	Subsidiaries		Key Management Personnel		Enterprises Owned/ Influenced by Key Management Personnel or their relatives		Relatives of Key Management Personnel	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Sale of Products								
Greenply Industries Ltd.	-	-	-	-	375.64	213.51	-	-
Greenlam Asia Pacific Pte. Ltd.	11546.00	11575.22	-	-	-	-	-	-
Greenlam America, Inc.	6366.74	7263.89	-	-	-	-	-	-
Greenlam Europe (UK) Ltd.	2024.27	2236.28	-	-	-	-	-	-
Seema Realcon Pvt Ltd	-	-	-	-	-	-	4660.47	2210.96
Total	**19937.01**	**21075.39**	**-**	**-**	**375.64**	**213.51**	**4660.47**	**2210.96**
Purchase of Products								
Greenply Industries Ltd.	-	-	-	-	224.59	116.20	-	-
Greenlam Europe (UK) Ltd.	-	133.32	-	-	-	-	-	-
Seema Realcon Pvt Ltd	-	-	-	-	-	-	16.16	-
Total	**-**	**133.32**	**-**	**-**	**224.59**	**116.20**	**16.16**	**-**
Reimbursement Received								
Greenlam Asia Pacific Pte. Ltd.	-	0.78	-	-	-	-	-	-
Greenlam America, Inc.	3.72	1.56	-	-	-	-	-	-
Greenlam Europe (UK) Ltd.	-	1.00	-	-	-	-	-	-
Total	**3.72**	**3.34**	**-**	**-**	**-**	**-**	**-**	**-**
Guarantee Commission Received								
Greenlam Asia Pacific Pte. Ltd.	71.87	-	-	-	-	-	-	-
Greenlam Europe (UK) Ltd.	2.03	-	-	-	-	-	-	-
Total	**73.90**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Rent Paid								
Himalaya Granites Ltd.	-	-	-	-	52.29	49.60	-	-
Greenply Industries Ltd.	-	-	-	-	0.60	0.60	-	-
Total	**-**	**-**	**-**	**-**	**52.89**	**50.20**	**-**	**-**
Interest received								
Greenlam Europe (UK) Ltd.	-	20.46	-	-	-	-	-	-
Total	**-**	**20.46**	**-**	**-**	**-**	**-**	**-**	**-**
Remuneration Paid								
Mr. Saurabh Mittal	-	-	497.93	377.16	-	-	-	-
Ms. Parul Mittal	-	-	277.35	225.60	-	-	-	-
Mr. Vijay Kumar Chopra#	-	-	13.50	14.89	-	-	-	-
Ms. Urvashi Saxena#	-	-	13.50	14.15	-	-	-	-
Ms. Sonali Bhagwati Dalal#	-	-	12.80	13.85	-	-	-	-
Mr. Ashok Kumar Sharma	-	-	104.82	92.03	-	-	-	-
Mr. Prakash Kumar Biswal	-	-	39.29	37.07	-	-	-	-
Total	**-**	**-**	**959.19**	**774.75**	**-**	**-**	**-**	**-**

37. RELATED PARTY DISCLOSURES *(Contd.)*

37.2 TRANSACTIONS DURING THE YEAR:

₹ in Lacs

Particulars	Subsidiaries		Key Management Personnel		Enterprises Owned/ Influenced by Key Management Personnel or their relatives		Relatives of Key Management Personnel	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Amount outstanding as at Balance Sheet date								
Trade Receivable								
Greenlam Asia Pacific Pte. Ltd.	435.15	332.06	-	-	-	-	-	-
Greenlam America, Inc.	388.27	335.32	-	-	-	-	-	-
Greenlam Europe (UK) Ltd.	1230.85	1171.97	-	-	-	-	-	-
Greenply Industries Ltd.	-	-	-	-	10.77	31.53		
Seema Realcon Pvt Ltd *	-	-	-	-	-	-	65.24	220.07
Total	**2054.27**	**1839.35**	**-**	**-**	**10.77**	**31.53**	**65.24**	**220.07**
Guarantee Commission Receivable								
Greenlam Asia Pacific Pte. Ltd.	17.74							
Greenlam Europe (UK) Ltd.	2.03	-	-	-	-	-	-	-
Total	**19.77**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Trade Payable								
Greenply Industries Ltd.	-	-	-	-	21.52	22.57	-	-
Total	**-**	**-**	**-**	**-**	**21.52**	**22.57**	**-**	**-**
Remuneration Payable								
Mr. Saurabh Mittal	-	-	233.45	153.00	-	-	-	-
Ms. Parul Mittal	-	-	142.95	108.00	-	-	-	-
Total	**-**	**-**	**376.40**	**261.00**	**-**	**-**	**-**	**-**

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)

Including sitting fees, commission & service tax in previous year figures.

* Amount due from Seema Realcon Pvt Ltd is exclusive of ₹376.49 lacs (Previous Year ₹243.36 lacs), received through Channel Finance Facility from a Bank.

Note: All related party contracts / arrangements have been entered on arms' length basis

Related Party Relationship is as identified by the Company and relied upon by the Auditors.

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 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (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, 2014 (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 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. First- Time Adoption of Ind AS: *(Contd.)*

38.2 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 2016 are consistent with the estimates as at the same date made in conformity 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) Derivative financial instruments carried at fair value;

(ii) Impairment of trade receivables based on expected credit loss model.

38.3 Fair Valuation of Investments:

The Company has availed the option available under Ind AS to carry the equity investments in subsidiaries at cost less impairment. Accordingly , equity investment in subsidiaries have been carried at cost, resulting in no change.

38.4 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 ₹1529.55 lacs under fixed assets on transition date has been reclassified to Prepaid Lease rentals of ₹1529.55 lacs.

38.5 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 ₹30.59 lacs with corresponding credit to retained earnings. Subsequently, during year ended 31 March 2017 interest cost and borrowings has increased by ₹14.69 lacs on account of application of effective interest rate method.

38.6 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 ₹241.36 lacs and dividend distribution tax of ₹49.14 lacs on transition date has been derecognised in the retained earnings.

Liability for proposed dividend of ₹362.05 lacs and dividend distribution tax of ₹73.70 lacs which was dereognised 31st March 2017, has been recognised in the retained earnings during the year ended 31 March 2018, as declared and paid.

38.7 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 2017 by ₹4053.59 lacs. There is no impact on total equity and profit.

38.8 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

38. First- Time Adoption of Ind AS: *(Contd.)*

by ₹263.32 lacs on transition date and by an additional amount of ₹213.29 lacs during year ended 31 March 2017. Provision for expected credit losses stood at ₹740.93 lacs as on 31 March 2017.

38.9 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. Accordinlgy, trade receivables to the extent of recourse amounting to ₹1793.27 lacs was not de-recognised from trade receivables with corresponding recognition of short term borrowings as on 31 March 2017.

38.10 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 ₹74.69 lacs has been recognised on transition date with corresponding charge to retained earnings. During the year ended 31 March 2017, provision has been decreased by ₹11.13 lacs by netting off with Gross revenue. As such closing provision for expected cash discounts as on 31 March 2017 stood at ₹63.56 lacs.

38.11 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 ₹5.06 lacs has been recognised on transition date, with corresponding credit to retained earnings. During the year ended 31 March 2017, MTM loss of ₹25.17 lacs has been recognised in profit and loss account, with corresponding credit to derivative liability.

38.12 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 ₹175.82 lacs as on 31.03.2017 on date has been recognised in OCI instead of Employee benefit expenses.

38.13 Expenses pertaining to Scheme of Arrangement:

Under previous GAAP, expenses relating to the scheme of arrangement were being written off in five equal annual installments. Ind AS requires that costs incurred to effect a scheme of arrangement 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, Preliminary expenses and Issuance of share capital expenses as on the transition date of ₹75.06 lacs have been charged to retained earnings. Further out of such expenses incurred during year ended 31 March 2017, a sum of ₹15.23 lacs (net of amount already written off and reversal of adjustment as on transition date) has been charged to profit and loss account.

38.14 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 ₹147.24 lacs during the year ended 31 March 2017 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. First- Time Adoption of Ind AS: *(Contd.)*

38.15 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 ₹162.78 lacs has been recognised by credit to retained earnings. During the year ended 31 March 2017, deferred tax expense has been decreased by ₹103.09 lacs - out of which a sum of ₹60.85 lacs has been credited to other comprehensive income and balance ₹42.24 lacs to profit and loss account.

38.16 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.

38.17 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, all the advances are repayable within a period of 12 months 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 . 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 and security deposit expiring after a period of 12 month is considered as long term and valued at amortised cost.

38.18 RECONCILIATION OF EQUITY AS ON TRANSITION DATE 1ST APRIL 2016 AS PER IND AS ₹ in Lacs

	Previous GAAP	Adjustments	Ind AS
ASSETS			
Non-current Assets			
Property, Plant and Equipment	33554.49	(1529.55)	32024.94
Capital Work-in-Progress	395.28	-	395.28
Other Intangible Assets	278.53	-	278.53
Financial Assets			
Investments	2410.96	-	2410.96
Loans	1222.88	-	1222.88
Other Non-current Assets	207.05	1485.21	1692.26
	38069.19	**(44.34)**	**38024.85**
Current Assets			
Inventories	20737.53	-	20737.53
Financial Assets			
Trade Receivables	12594.69	486.68	13081.37
Cash and Cash Equivalents	57.15	-	57.15
Bank Balances other than above	40.75	-	40.75
Loans	113.53	-	113.53
Current Tax Assets (Net)	475.67	-	475.67
Other Current Assets	3769.67	(1.58)	3768.09
	37788.99	**485.10**	**38274.09**
TOTAL :	**75858.18**	**440.76**	**76298.94**
EQUITY AND LIABILITIES			
Equity:			
Equity Share Capital	1206.82	-	1206.82
Other Equity	25242.30	74.97	25317.27
	26449.12	**74.97**	**26524.09**

38. First- Time Adoption of Ind AS: *(Contd.)*

38.18 RECONCILIATION OF EQUITY AS ON TRANSITION DATE 1ST APRIL 2016 AS PER IND AS ₹ in Lacs

	Previous GAAP	Adjustments	Ind AS
Liabilities:			
Non-current Liabilities			
Financial Liabilities			
Borrowings	13465.66	(30.59)	13435.06
Other Financial Liabilities	162.51	30.04	192.55
Provisions	912.93	-	912.93
Deferred Tax Liabilities (Net)	1722.50	(162.78)	1559.72
	16263.60	**(163.34)**	**16100.26**
Current Liabilities			
Financial Liabilities			
Borrowings	8823.30	6187.89	15011.19
Trade Payables	18284.32	(5442.95)	12841.37
Other Financial Liabilities	3194.78	5.06	3199.84
Other Current Liabilities	2500.85	69.63	2570.48
Provisions	342.21	(290.50)	51.71
	33145.46	**529.13**	**33674.59**
TOTAL :	**75858.18**	**440.76**	**76298.94**

38.19 RECONCILIATION OF EQUITY AS ON 31ST MARCH 2017 AS PER IND AS ₹ in Lacs

	Previous GAAP	Adjustments	Ind AS
ASSETS			
Non-current Assets			
Property, Plant and Equipment	32469.97	(1559.29)	30910.68
Capital Work-in-Progress	535.53	-	535.53
Other Intangible Assets	330.45	-	330.45
Financial Assets			
Investments	2410.96	-	2410.96
Loans	490.72	(177.74)	312.98
Other Non-current Assets	40.25	1693.87	1734.12
	36277.88	**(43.16)**	**36234.72**
Current Assets			
Inventories	20557.60	-	20557.60
Financial Assets			
Trade Receivables	10661.51	1318.02	11979.53
Cash and Cash Equivalents	472.84	-	472.84
Bank Balances other than above	42.51	-	42.51
Loans	137.28	-	137.28
Current Tax Assets (Net)	15.68	-	15.68
Other Current Assets	3569.05	(3.93)	3565.12
	35456.47	**1314.09**	**36770.56**
TOTAL :	**71734.35**	**1270.93**	**73005.28**
EQUITY AND LIABILITIES			
Equity:			
Equity Share Capital	1206.82	-	1206.82
Other Equity	29101.47	91.25	29192.72
	30308.29	**91.25**	**30399.54**
Liabilities:			
Non-current Liabilities			
Financial Liabilities			
Borrowings	9543.20	(15.90)	9527.30
Other Financial Liabilities	159.01	18.90	177.91
Provisions	1248.99	-	1248.99
Deferred Tax Liabilities (Net)	2406.96	(265.86)	2141.10
	13358.16	**(262.86)**	**13095.30**

38. First- Time Adoption of Ind AS: *(Contd.)*

38.19 RECONCILIATION OF EQUITY AS ON 31ST MARCH 2017 AS PER IND AS

₹ in Lacs

	Previous GAAP	Adjustments	Ind AS
Current Liabilities			
Financial Liabilities			
Borrowings	2999.63	7403.85	10403.48
Trade Payables	18145.31	(5772.49)	12372.82
Other Financial Liabilities	3971.31	85.98	4057.29
Other Current Liabilities	2449.98	160.95	2610.93
Provisions	501.67	(435.75)	65.92
Current Tax Liabilities (Net)	-	-	-
	28067.90	**1442.54**	**29510.44**
TOTAL :	**71734.35**	**1270.93**	**73005.28**

38.20 RECONCILIATION OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017 AS PER IND AS

₹ in Lacs

	Previous GAAP	Adjustments	Ind AS
INCOME:			
Sale of Products	93446.48	3917.48	97363.96
Other Operating Revenue	3721.01	-	3721.01
Revenue from Operations	97167.49	3917.48	101084.97
Other Income	161.68	11.15	172.83
Total Revenue	**97329.17**	**3928.63**	**101257.80**
EXPENDITURE:			
Cost of Materials Consumed	53843.70	-	53843.70
Purchase of Stock in Trade	1179.65	-	1179.65
Changes in Inventories of Finished Goods, Stock in Process and Stock in Trade	(1362.46)	-	(1362.46)
Excise Duty Expense	-	4053.59	4053.59
Employees Benefits Expense	12367.80	(175.82)	12191.98
Finance Costs	2530.05	14.69	2544.74
Depreciation and Amortisation Expense	3360.78	(21.08)	3339.70
Other Expenses	18680.96	113.49	18794.45
Total Expenditure	**90600.48**	**3984.87**	**94585.35**
Profit before Tax	**6728.69**	**(56.24)**	**6672.45**
Current Tax	(1768.85)	-	(1768.85)
Mat Credit Entitlement	(855.50)	-	(855.50)
	(2624.35)	**-**	**(2624.35)**
Release of Deferred Tax	190.58	42.24	232.82
Tax Expense	**(2433.77)**	**42.24**	**(2391.53)**
Profit for the Year	**4294.92**	**(14.00)**	**4280.92**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss:			
Remeasurement gain/(loss) on defined benefit plans	-	(175.82)	(175.82)
Release of Deferred Tax	-	60.85	60.85
Other Comprehensive Income, net of tax	**-**	**(114.97)**	**(114.97)**
Total Comprehensive Income for the year, net of Tax	**4294.92**	**(128.97)**	**4165.95**

38.21 RECONCILIATION OF EQUITY AND NET PROFIT ON TRANSITION TO IND AS

₹ in Lacs

	Equity on 01.04.2016	Equity on 31.03.2017	Profit for year 2016-17
Shareholders Funds and Net Profit after tax as per previous GAAP	**26449.12**	**30308.29**	**4294.92**
Recognition of MTM of Forward and IRS Contracts	5.06	(20.11)	(25.17)
Recognition of Provision for Expected Cash Discounts	(74.69)	(63.56)	11.13
Recognition of Provision for Expected Credit Losses	(263.32)	(476.61)	(213.29)

38. First- Time Adoption of Ind AS: *(Contd.)*

38.21 RECONCILIATION OF EQUITY AND NET PROFIT ON TRANSITION TO IND AS

₹ in Lacs

	Equity on 01.04.2016	Equity on 31.03.2017	Profit for year 2016-17
Derecognition of Unamortised Expenses	(75.06)	(65.29)	9.77
Recognition of Prepaid Processing Fees	30.59	15.90	(14.69)
Derecongnitiion of Prepaid processing fee	(0.91)	(11.86)	(10.95)
Recognition of Interest Income on Lease	-	11.15	11.15
Derecognition of Proposed Dividend and Tax on Dividend	290.50	435.75	-
Reclassification of Actuarial loss on Defined Benefit plans	-	175.82	175.82
Deferred Tax impact of Ind AS adjustments	162.78	205.02	42.24
Net Impact of Ind AS adjustments in Reserves and Surplus	**74.97**	**206.22**	**(14.00)**
Reclassification of Actuarial loss on Defined Benefit plans	-	(175.82)	(175.82)
Deferred Tax impact of Ind AS adjustments	-	60.85	60.85
Net Impact of Ind AS adjustments in OCI	**-**	**(114.97)**	**(114.97)**
Net Impact of Ind AS adjustments in Reserves and Surplus	**74.97**	**91.25**	**(128.97)**
Shareholders Funds and Net Profit after tax as per Ind AS	**26524.09**	**30399.54**	**4165.95**

39. PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS MADE BY THE COMPANY:

(I) Details of Loans:

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 (GBP in Lacs)	Amount (₹ in Lacs) *	Rate of interest	Security	Prevailing yield of 3 year Government Security at the time of extending the loan
NIL										

* 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
NIL								

(III) Details of Guarantee / Security Provided

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 (Foreign Currency in Lacs)	Amount (₹ in Lacs)	Expected rate of return
1	19.05.2015	18.05.2015*	Not Applicable	Greenlam Asia Pacific Pte Ltd	For business requirements.	SGD 15.08	747.37	Not Applicable
2	27.03.2018	24.03.2018*	Not Applicable	Greenlam Asia Pacific Pte Ltd	For business requirements.	USD 85	5525.43	Not Applicable
3	20.04.2017	10.04.2017*	Not Applicable	Greenlam America Inc.	For business requirements.	USD 10	650.05	Not Applicable
4	10.01.2018	09.08.2017	Not Applicable	Greenlam Europe (UK) Ltd	For business requirements.	GBP 10	913.58	Not Applicable

Represents amount as on the year end rate

*Resolution passed by Operational & Finance Committee of Board of Directors of the Company

40. CONTINGENT LIABILITIES AND COMMITMENTS

40.1 Contingent liabilities

40.1.1 Pending Litigations:

Excise Duty, Sales Taxes and other Indirect Taxes claims disputed by the Company relating to issues of applicability and determination aggregating ₹232.74 lacs (Previous year ₹2691.88 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: ₹ in Lacs

		As At 31st March, 2018		As At 31st March, 2017	
a)	Letters of Credit established but Goods not received		4161.95		3494.66
b.	Stand By Letter of Credit Given	Limit	Outstanding	Limit	Outstanding
	Greenlam America Inc.	650.05	503.79	1300.45	611.21
	Greenlam Asia Pacific Pte Ltd	-	-	650.23	650.23
	Greenlam Europe (UK) Ltd	-	-	808.30	808.30
		650.05	503.79	2758.98	2069.74
c.	Corporate Guarantee Given				
	Greenlam Asia Pacific Pte Ltd - USD 85 lacs (Previous Year USD 100 lacs)		5525.43		6502.25
	Greenlam Europe (UK) Ltd -GBP 10 lacs (Previous Year - Nil)		913.58		-
	Greenlam Asia Pacific Pte Ltd - SGD 15.07 lacs (Previous Year SGD 15.07 lacs)		747.37		700.75
			7186.38		7203.00

40.2 Commitments: ₹ in Lacs

		As At 31st March, 2018	As At 31st March, 2017
a.	Estimated pending Capital contract (Net of Advance)	1118.04	2348.85
b.	Uncalled liability on shares and other investments which are partly paid	-	-
c.	Other commitments	-	-

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 Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a loans and borrowings will fluctuate because of change of market interest rate

Interest Rate Sensitivity

The Following table demonstrate the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

₹ in Lacs

Particulars	Impact on profit & Loss	
	As at 31st March, 2018	As at 31st March, 2017
Interest Rate Increase by 50 basis point	(98.75)	(82.05)
Interest Rate decrease by 50 basis point	98.75	82.05

41.2 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.

41.3 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 7.89 Lacs ₹513.08 Lacs (Previous year USD 23.68 Lacs ₹1539.64 lacs)	Hedge against exposure to variable interest outflow on loans. Swap to pay fixed interest @ 2.12 % p.a. (in USD) and receive a variable interest @ 3 month USD-LIBOR on outstanding notional amount.

41. FINANCIAL RISK MANAGEMENT *(Contd.)*

41.4 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.

Hedged Foreign Currency Exposures: ₹ in Lacs

Particulars		As At 31st March, 2018		As At 31st March, 2017	
	Currency	Foreign Currency	₹ in Lacs	Foreign Currency	₹ in Lacs
Purchase (Hedging of Trade Payables)	EURO	1874048	1494.27	1284450	890.30
	USD	3308678	2150.81	1007353	655.01
	JPY	17824920	108.86	11591570	68.09
			3753.94		**1613.40**
Trade Receivables	GBP	1272123	1162.19	210847	170.43
Foreign Currency Term Loans	USD		-	789286	513.21

Unhedged Foreign Currency Exposures: ₹ in Lacs

Particulars		As At 31st March, 2018		As At 31st March, 2017	
	Currency	Foreign Currency	₹ in Lacs	Foreign Currency	₹ in Lacs
Foreign Currency Term Loans	USD	789286	513.08	1578570	1026.43
			513.08		**1026.43**
Trade Payables	EURO	1791920	1428.79	2101469	1456.61
	USD	1549913	1007.52	2090031	1358.99
	GBP	9580	8.75	4318	3.49
	AED	90226	15.97	119460	21.15
			2461.03		**2840.24**
Advance to Vendors	EURO	25564	20.38	73203	50.74
	USD	1940	1.26	43612	28.36
	CHF	3399	2.30	-	-
	AED	4000	0.71	-	-
			24.65		**79.10**
Trade Receivables	EURO	3026474	2413.16	2567377	1779.55
	USD	3264799	2122.28	2455183	1596.42
	GBP	97370	88.96	1281238	1035.62
			4624.40		**4411.59**
Advance from Customers	USD	-	-	33337	21.68
	EURO	22900	18.26	-	-

41.5 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 probability 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

41. FINANCIAL RISK MANAGEMENT *(Contd.)*

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.

Financial assets where Life time Expected Credit Losses (ECL) is used: ₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017
Trade Receivables (Gross of Provisions)	14478.58	12720.46
Less : Provision for Doubtful Receivables	918.41	740.93
Trade Receivables (Net of Provisions)	**13560.17**	**11979.53**

41.6 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.

41.7 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, 2018	As at 31st March, 2017
Total Debt	20395.17	19930.78
Total Equity	35779.32	30399.54
Capital and Net Debt	**56174.49**	**50330.32**
Gearing Ratio	**36.31%**	**39.60%**

42. ACCOUNTING CLASSIFICATIONS AND FAIR VALUES

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.

42. ACCOUNTING CLASSIFICATIONS AND FAIR VALUES *(Contd.)*

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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 : Techniques using inputs having significant effect on the recorded fair value that are not based on observable market data.

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Financial assets at amortised cost:			
Investments	2410.96	2410.96	2410.96
Loans - Non-current	314.32	312.98	1222.88
Other Non Current Assets	1761.97	1734.12	1692.26
Trade Receivables	13560.17	11979.53	13081.37
Cash and Cash Equivalents	478.07	472.84	57.15
Bank Balances other than above	109.54	42.51	40.75
Loans - Current	85.18	137.28	113.53
Other Current Assets	2219.04	3565.12	3768.09
Total	**20939.25**	**20655.34**	**22386.99**
Financial assets at fair value through profit and loss:			
Derivative - current - Level 2	0.03	-	-
Total Financial Assets	**20939.28**	**20655.34**	**22386.99**
Financial liabilities at amortised cost:			
Borrowings - Non-current	8075.00	9527.30	13435.06
Other Financial Liabilities - Non-current	226.50	177.91	192.55
Borrowings - Current	8357.78	10403.48	15011.19
Trade Payables	15392.57	12372.82	12841.37
Other Financial Liabilities - Current	3968.79	3971.31	3194.78
Other Current Liabilities	1576.19	2610.93	2570.48
Total	**37596.83**	**39063.76**	**47245.43**
Financial Liabilities at fair value through profit and loss:			
Derivative - current - Level 2	-	85.98	5.06
Total Financial Liabilities	**37596.83**	**39149.73**	**47250.49**

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". Accordingly, it has adjusted a loss/(gain) of ₹(14.58) lacs (Previous year Gain ₹17.07) lacs during the period to the cost of its fixed assets on account of such difference arising during the current period 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. TAXATION

A firm of Independent Accountants have certified that the Company's international and specified domestic transactions covered by transfer pricing regulations during the financial year ended 31st March, 2017 were at arm's length. The Management believes that during the current financial year, similar transactions would have no impact on these financial statements and particularly the amount of tax expense and the provision for taxation.

45. 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, 2018 are summarized below:

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017
Amount due within one year	12.05	41.07
Amount due between one year and five years	-	5.12
Amount due above five years	-	-
Total	**12.05**	**46.19**

46. 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, 2018	As at 31st March, 2017
i.	Principal amount remaining unpaid to any supplier at the end of accounting year (including retention money against performance).	85.85	-
ii.	Interest due on above	-	-
Total of (i) & (ii)		**85.85**	**-**
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.	-	-

47. DISTRIBUTION MADE AND PROPOSED DIVIDEND

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017
Cash dividend on equity shares declared and paid		
Final dividend for the year ended on 31 March 2017:		
₹ 1.50 per share (31 March 2016: ₹ 1.00)	362.05	241.36
Dividend distribution tax on final dividend	73.70	49.14
Total dividend paid	**435.75**	**290.50**
Proposed dividend on Equity shares		
Final dividend for the year ended on 31 March 2018:		
₹ 2.50 per share (31 March 2017: ₹ 1.50)	603.41	362.05
Dividend distribution tax on final dividend	124.03	73.70
Total dividend proposed	**727.44**	**435.75**

Notes to the Financial Statements for the year ended 31st March 2018

48. VALUE OF IMPORTS ON C.I.F. BASIS

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017
Raw Materials	29910.18	27598.54
Stock in Trade	3.21	145.99
Stores & Spare Parts	172.30	82.83
Capital Goods	245.32	271.23
Total	**30331.01**	**28098.59**

49. EXPENDITURE IN FOREIGN CURRENCY

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017
Revenue Expenditure	587.91	577.39

50. EARNINGS IN FOREIGN CURRENCY

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017
FOB Value of Exports	35040.67	33074.94
Corporate Guarantee Commission	73.90	-
Interest Received	-	20.46

51. INFORMATION REGARDING SPECIFIED BANK NOTES (SBN):

During the year ended 31 March 2017, the Holding Company had specified bank notes or other denomination notes as defined in the MCA notification G.S.R.308 (E) dated 31 March 2017 on the details of Specified Bank Notes (SBN), held and transacted during the period from 8 November 2016 to 30 December 2016, the denomination wise SBNs and other notes as per the notification is given below:

₹ in Lacs

	Specified Bank Notes	Other Bank Notes	Total
Closing cash in hand as on 8 November 2016	9.13	5.96	15.09
Add: Permitted receipts	-	16.56	16.56
Less: Permitted payments	-	14.72	14.72
Less: Amount deposited in banks	9.13	-	9.13
Closing cash in hand as on 30 December 2016	-	7.80	7.80

** For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.*

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 period are re-classified/ re-arranged / re -grouped, wherever necessary so as to be in conformity with the figures of the current period's classification/disclosure.

As per our annexed report of even date.
For **D. DHANDARIA & COMPANY**
Chartered Accountants
ICAI Firm Reg. No. 306147E

(Dindayal Dhandaria)
Partner
Membership No. 010928

Place of Signature : New Delhi
Dated : 28th May, 2018

For and on behalf of Board of Directors of
Greenlam Industries Limited
CIN: L21016AS2013PLC011624

Saurabh Mittal
Managing Director and CEO
(DIN : 00273917)

Shiv Prakash Mittal
Non Executive Chairman
(DIN : 00237242)

Ashok Kumar Sharma
Chief Financial Officer

Prakash Kumar Biswal
Company Secretary & AVP - Legal

Independent Auditors' Report

To
The Members of
Greenlam Industries Limited

REPORT ON THE CONSOLIDATED Ind AS FINANCIAL STATEMENTS

We have audited the accompanying consolidated Ind AS financial statements of GREENLAM 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 2018, 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 IND AS 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, 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 2018, 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 two foreign subsidiaries whose financial statements reflect total assets of ₹952.86 lacs as at 31 March 2018, total revenues of ₹284.29 lacs and net cash outflows amounting to ₹182.76 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 2017 and the transition date opening balance sheet as at 1 April 2016 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, 2014 audited by us and our reports for the years ended 31 March 2017 and 31 March 2016 dated 25 May 2017 and 27 May 2016 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 2018 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

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

(Dindayal Dhandaria)
Partner
Membership No. 010928

Place of Signature: New Delhi
Dated : 28th May, 2018

Consolidated Balance Sheet as at 31st March 2018

₹ in Lacs

	Note No.	As At 31st March, 2018	As At 31st March, 2017	As At 1st April, 2016
Non-current Assets				
Property, Plant and Equipment	1	32590.11	31759.39	33096.68
Capital Work-in-Progress	2	99.95	535.53	395.28
Goodwill	3	175.80	292.89	417.65
Other Intangible Assets	3	285.07	330.45	278.53
Financial Assets				
Investments	4	-	-	-
Loans	5	375.62	381.01	347.66
Other Non-current Assets	6	1761.97	1734.12	1692.26
Total Non-current assets		**35288.52**	**35033.39**	**36228.06**
Current Assets				
Inventories	7	25628.52	22804.77	24735.13
Financial Assets				
Trade Receivables	8	17054.90	15829.10	18894.30
Cash and Cash Equivalents	9	930.91	742.93	482.25
Bank Balances other than above	9	109.54	42.51	40.75
Loans	10	86.17	139.84	119.45
Current Tax Assets (Net)	11	-	-	471.92
Other Current Assets	12	3233.90	4493.45	5674.38
Total Current assets		**47043.94**	**44052.60**	**50418.18**
Total Assets		**82332.46**	**79085.99**	**86646.24**
EQUITY AND LIABILITIES:				
Equity:				
Equity Share Capital	13	1206.82	1206.82	1206.82
Other Equity	14	34406.48	28607.30	23912.54
Total Equity		**35613.30**	**29814.12**	**25119.36**
Liabilities:				
Non-current Liabilities :				
Financial Liabilities				
Non Controlling Interest		9.42	8.04	7.03
Borrowings	15	8075.00	9688.88	14743.53
Other Financial Liabilities	16	229.75	181.16	195.86
Provisions	17	1552.01	1248.99	912.93
Deferred Tax Liabilities (Net)	18	1950.70	2183.79	1603.48
Total Non-current liabilities		**11816.88**	**13310.86**	**17462.83**
Current Liabilities				
Financial Liabilities				
Borrowings	19	12960.44	16095.82	17975.87
Trade Payables	20	15761.88	12905.43	13455.29
Other Financial Liabilities	21	4140.35	4226.09	10010.70
Other Current Liabilities	22	1576.19	2610.93	2570.48
Provisions	23	117.40	65.93	51.71
Current Tax Liabilities (Net)	24	346.02	56.81	-
Total Current liabilities		**34902.28**	**35961.01**	**44064.05**
TOTAL		**82332.46**	**79085.99**	**86646.24**
Significant Accounting Policies See Accompanying Notes on Financial Statements	1 to 48			

As per our annexed report of even date.
For **D. DHANDARIA & COMPANY**
Chartered Accountants
ICAI Firm Reg. No. 306147E

(Dindayal Dhandaria)
Partner
Membership No. 010928

Place of Signature : New Delhi
Dated : 28th May, 2018

For and on behalf of Board of Directors of
Greenlam Industries Limited
CIN: L21016AS2013PLC011624

Saurabh Mittal
Managing Director and CEO
(DIN : 00273917)

Shiv Prakash Mittal
Non Executive Chairman
(DIN : 00237242)

Ashok Kumar Sharma
Chief Financial Officer

Prakash Kumar Biswal
Company Secretary & AVP - Legal

Consolidated Statement of Profit and Loss for the year ended 31st March, 2018

₹ in Lacs

	Note No.	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
INCOME:					
Sale of Products			113284.88		107912.56
Other Operating Revenue			2287.48		3721.01
Revenue from Operations	25		115572.36		111633.57
Other Income	26		163.42		251.33
Total Income			**115735.78**		**111884.90**
EXPENSES:					
Cost of Materials Consumed	27		58419.97		53843.70
Purchase of stock in trade	28		1646.85		2464.10
Changes in Inventories of Finished Goods, Stock in Process and Stock in Trade	29		(236.89)		365.04
Excise Duty			1099.73		4053.59
Employees Benefits Expense	30		17338.39		15248.43
Finance Costs	31		1805.22		2854.94
Depreciation and Amortization Expense	32		3595.27		3664.29
Other Expenses	33		22414.81		21825.66
Total Expenses			**106083.34**		**104319.74**
Profit before Tax			**9652.44**		**7565.16**
Tax Expense					
Current Tax		3368.36		1921.24	
Add/ (Less) : Mat Credit Entitlement		-		855.50	
		3368.36		2776.74	
Income Tax For Earlier Year		-		63.22	
Deferred Tax		(177.65)	3190.71	(241.85)	2598.11
Profit for the Year			**6461.73**		**4967.05**
Profit or loss, attributable to Non Controlling Interests			1.11		1.18
Profit or loss, attributable to Owners			6460.62		4965.87
Other Comprehensive Income					
Items that will be reclassified to profit or loss:					
Exchange rate difference on Consolidation			(121.53)		134.36
Items that will not be reclassified to profit or loss:					
Remeasurement gain/(loss) on defined benefit plans			(159.28)		(175.82)
Income tax relating to items that will not be reclassified to profit or loss			55.12		60.85
Other Comprehensive Income, net of tax			**(225.69)**		**19.39**
Total Comprehensive Income for the year, net of Tax			**6236.04**		**4986.44**
Comprehensive Income, attributable to Non Controlling Interest			1.11		1.18
Comprehensive Income, attributable to Owners			**6234.93**		**4985.26**
Earnings per Equity Share Face Value ₹5 Each					
Basic and Diluted	35		26.77		20.58
Significant Accounting Policies See Accompanying Notes on Financial Statements	1 to 48				

As per our annexed report of even date.
For **D. DHANDARIA & COMPANY**
Chartered Accountants
ICAI Firm Reg. No. 306147E

(Dindayal Dhandaria)
Partner
Membership No. 010928

Place of Signature : New Delhi
Dated : 28th May, 2018

For and on behalf of Board of Directors of
Greenlam Industries Limited
CIN: L21016AS2013PLC011624

Saurabh Mittal
Managing Director and CEO
(DIN : 00273917)

Shiv Prakash Mittal
Non Executive Chairman
(DIN : 00237242)

Ashok Kumar Sharma
Chief Financial Officer

Prakash Kumar Biswal
Company Secretary & AVP - Legal

Consolidated Cash Flow Statement for the year ended 31st March 2018

₹ in Lacs

		For the year ended 31st March, 2018	For the year ended 31st March, 2017
A.	**Cash flows from operating activities**		
	Profit before Tax	**9652.44**	**7565.16**
	Adjustments for:		
	Depreciation and Amortisation Expense	3595.27	3664.29
	Finance Costs	1805.22	2854.94
	Loss on Sale / Discard of Fixed Assets	0.46	19.07
	Effect of Exchange Rate Changes	(122.46)	197.76
	Unrealised Foreign Exchange Fluctuations	(125.59)	75.75
	Provision for Doubtful Debts	218.39	481.51
	Interest Income	(68.85)	(205.61)
	Re-measurement gain/(loss) on defined benefit plans	(159.28)	(175.82)
	Miscellaneous Expenditure written off	-	15.23
		5143.15	**6927.11**
	Operating cash flows before working capital changes	14795.59	14492.27
	Working capital adjustments:		
	(Increase) / Decrease in Trade and Other Receivables	(220.46)	3667.26
	(Increase) / Decrease in Inventories	(2823.75)	1930.36
	(Decrease) / Increase in Trade Payables & other payables	2201.38	(117.82)
		(842.83)	**5479.80**
	Cash Generated from Operations	13952.76	19972.07
	Income Tax Paid	**(3079.15)**	**(1436.19)**
	Net cash from operating activities	**10873.61**	**18535.88**
B.	**Cash flows from investing activities**		
	Acquisition of Fixed Assets	(3885.86)	(2480.35)
	Sale of Fixed Assets	58.22	37.89
	Interest Received	68.85	205.61
	Net Cash used in Investing Activities	**(3758.79)**	**(2236.85)**
C.	**Cash flows from financing activities**		
	Proceeds from Long Term Borrowings	5000.00	-
	Short Term Borrowings (Net)	(3135.38)	(1880.04)
	Deferred Payment Liabilities (Net)	(31.90)	(37.76)
	Miscellaneous Expenditure	-	(15.23)
	Repayment of Long Term Borrowings	(6510.14)	(10946.46)
	Interest Paid	(1813.67)	(2868.36)
	Dividend & Corporate Dividend Tax Paid	(435.75)	(290.50)
	Net Cash used in Financing Activities	**(6926.84)**	**(16038.35)**
	Net Increase / (Decrease) in Cash and Cash Equivalents	**187.98**	**260.68**
	Add : Balance at the beginning of the year	742.93	482.25
	Cash / Cash Equivalents at the close of the Year	930.91	742.93

Notes:

(i) Consolidated Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 specified under Section 133 of the Companies Act, 2013.

(ii) Acquisition of property, plant and equipment includes movements of capital work-in-progress (including capital advances and liability for capital goods) during the year.

(iii) Cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Group's cash management

(iv) Figures in brackets indicate cash outflows.

As per our annexed report of even date.
For **D. DHANDARIA & COMPANY**
Chartered Accountants
ICAI Firm Reg. No. 306147E

(Dindayal Dhandaria)
Partner
Membership No. 010928

Place of Signature : New Delhi
Dated : 28th May, 2018

For and on behalf of Board of Directors of
Greenlam Industries Limited
CIN: L21016AS2013PLC011624

Saurabh Mittal
Managing Director and CEO
(DIN : 00273917)

Ashok Kumar Sharma
Chief Financial Officer

Shiv Prakash Mittal
Non Executive Chairman
(DIN : 00237242)

Prakash Kumar Biswal
Company Secretary & AVP - Legal

Consolidated Statement of Changes in Equity for the year ended 31st March 2018

A) EQUITY SHARE CAPITAL

₹ in Lacs

For the year ended 31st March, 2018	
Balance as at 1st April 2017	1206.82
Changes in equity share capital during the year	-
Balance as at 31st March 2017	1206.82
For the year ended 31st March, 2017	
Balance as at 1st April 2016	1206.82
Changes in equity share capital during the year	-
Balance as at 31st March 2017	**1206.82**

B) OTHER EQUITY

For the year ended 31st March, 2018

₹ in Lacs

Particulars	Reserves and Surplus			
	Capital Reserve	General Reserve	Retained Earnings	Total
Balance as at 1st April 2017	15020.44	1000.00	12586.86	28607.30
Profit for the year	-	-	6460.62	6460.62
Dividend on Equity Shares	-	-	(362.05)	(362.05)
Tax on Distribution of Dividend	-	-	(73.70)	(73.70)
Transferred from Statement of Profit and Loss	-	500.00	-	500.00
Transferred to General Reserve	-	-	(500.00)	(500.00)
Other Comprehensive Income/(loss) for the year:				
- Remeasurements of the net defined benefit plans	-	-	(225.69)	(225.69)
Balance as at 31st March 2018	**15020.44**	**1500.00**	**17886.04**	**34406.48**

For the year ended 31st March, 2017

₹ in Lacs

Particulars	Reserves and Surplus			
	Capital Reserve	General Reserve	Retained Earnings	Total
Balance as at 1st April 2016	15020.44	500.00	8392.10	23912.54
Profit for the year	-	-	4965.87	4965.87
Dividend on Equity Shares	-	-	(241.36)	(241.36)
Tax on Distribution of Dividend	-	-	(49.14)	(49.14)
Transferred from Statement of Profit and Loss	-	500.00	-	500.00
Transferred to General Reserve	-	-	(500.00)	(500.00)
Other Comprehensive Income/(loss) for the year:				
- Remeasurements of the net defined benefit plans	-	-	19.39	19.39
Balance as at 31st March 2017	**15020.44**	**1000.00**	**12586.86**	**28607.30**

As per our annexed report of even date.
For **D. DHANDARIA & COMPANY**
Chartered Accountants
ICAI Firm Reg. No. 306147E

(Dindayal Dhandaria)
Partner
Membership No. 010928

Place of Signature : New Delhi
Dated : 28th May, 2018

For and on behalf of Board of Directors of
Greenlam Industries Limited
CIN: L21016AS2013PLC011624

Saurabh Mittal
Managing Director and CEO
(DIN : 00273917)

Ashok Kumar Sharma
Chief Financial Officer

Shiv Prakash Mittal
Non Executive Chairman
(DIN : 00237242)

Prakash Kumar Biswal
Company Secretary & AVP - Legal

1.01 DISCLOSURE OF ACCOUNTING POLICIES:

1.01.01 CORPORATE INFORMATION:

GREENLAM 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, Tinsukia, Assam - 786 125, India.

Company is engaged in the business of manufacturing laminates, decorative veneers , Engineered Wood Flooring, Engineered Door Sets & Door Leaf and allied products through its factories at various locations and branches and dealers' network spread all over the country. It has two wholly owned subsidiary companies operating in overseas countries, viz.,Greenlam Asia Pacific Pte Ltd and Greenlam America Inc. It imports raw materials for manufacturing. Manufactured goods are sold both in domestic and overseas markets. The overseas subsidiaries of the company are mainly engaged in marketing and distribution of company's product.

1.01.02 COMPANIES INCLUDED IN CONSOLIDATION :

Greenlam Asia Pacific Pte Ltd. (Formerly: Gil Intercontinental Pte. Ltd.), Singapore and its four step down subsidiaries viz. Greenlam Asia Pacific (Thailand) Co. Ltd., Thailand, Greenlam Holding Co. Ltd., Thailand, PT. Greenlam Asia Pacific, Indonesia and Greenlam Europe (UK) Ltd, United Kingdom and Greenlam America Inc., Florida (U.S.A), continued to be the wholly-owned subsidiaries of the Company, Greenlam Europe(UK) Ltd is an wholly owned subsidiary of Greenlam Asia Pacific Pte Ltd and minority interest in the step-down subsidiaries viz. Greenlam Asia Pacific (Thailand) Co. Ltd., Greenlam Holding Co. Ltd. and PT. Greenlam Asia Pacific. is 2.5%, 1% and 1% respectively.

1.01.03 The consolidated financial statements comprise the financial statements of the Group as at 31 March 2018. 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 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

These Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 read wtih Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) Amendment Rules, 2016.

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 2016. 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 certain assets and liabilities which have been measured at fair value.

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 evaluate all recently issued all 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 INR, except when otherwise indicated. Where changes are made in presentation, the comparative figures of the previous year are regrouped and re-arranged accordingly.

1.01.05 ACCOUNTING ESTIMATES AND ASSUMPTIONS:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.02 PROPERTY, PLANT AND EQUIPMENT:

1.02.01 On transition to IND AS, the company has adopted optional exception under IND AS 101 to measure Property, Plant and Equipment at carrying value as per previous GAAP. Consequently the Carrying value has been assumed to be deemed cost of Property, Plant and Equipment on the date of transition. Subsequently Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

1.02.02 Property, plant and equipment acquired after the transition date are stated at cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

1.02.03 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.

1.02.04 Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

1.02.05 Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the costs to the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gain or losses are recognized in the statement of profit and loss.

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.

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 - 3 to 10 years

a) Relating to Greenlam Asia Pacific Pte. Ltd.

Depreciation on fixed assets is calculated to write off the cost of the assets on a straight-line method over its estimated period of use.

Buildings - 15 years
Plant and Equipments - 3 to 15 years
Furniture and Fixtures - 3 to 15 years
Vehicles - 3 to 6 years
Office Equipments - 3 to 8 years

b) Relating to Greenlam America Inc.

Depreciation on fixed assets is provided for on Straight Line Method.

c) PT. Greenlam Asia Pacific

Depreciation is provided to write off the cost or valuation, less estimated residual value, of tangible assets over their expected useful economic lives, as follows:

Plant and Equipments - 3 to 8 years
Furniture and Fixtures - 3 years
Vehicles - 8 years
Office Equipments - 3 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 2016 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 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.

1.04.03 Goods-in-process is valued at lower of cost or net realisable value.

1.04.04 Stock of Finished goods is valued at lower of cost or net realisable value.

1.04.05 Stock-in-trade is valued at lower of cost or net realisable value.

1.04.06 Waste and scraps are accounted at estimated realisable value.

1.04.07 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 subsidiaries at cost initially and also on subsequent recognition.

1.06.03 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.

1.06.04 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.

1.06.05 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.

1.06.06 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.

1.08 EQUITY:

1.08.01 Ordinary Shares are classified as equity.

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.

1.09 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. Prior to imposition of Goods and Services Tax (GST), Revenue shown in the Statement of Profit and Loss was inclusive of Excise Duty and the value of self-consumption, but excluded inter-transfers, returns, trade discounts, cash discounts, value added tax and central sales tax. Excise Duty expense was disclosed in Statement of Profit and Loss as expenditure. Post GST, excise duty, value added tax and central sales tax have been subsumed in GST and the Revenue does not include GST, inter-transfers, returns, trade discounts, cash discounts, other benefits passed to customers in kind.

1.09.03 Services: Revenue from Services are recognized as and when the services are rendered. Prior to imposition of Goods and Sevices Tax (GST), the Company collected service tax on behalf of the government and therefore, it was not an economic benefit flowing to the Company and hence excluded from Revenue. Post GST, service tax has been subsumed in GST and the Revenue does not include it.

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.

1.09.07 Export Incentives: Benefit on account of entitlement to import goods free of duty under the Advance Authorisation Scheme, Merchandise Export Incentives Scheme (MEIS), are accounted for on accrual basis at estimated realisable value, as and when exports are made i.e., in the year of export. Profit or loss arising on utilisation of the same and/or sale thereof are accounted for in the year in which either the imports are made against the said Advance License, MEIS and/or the same are sold.

1.09.08 Sums receivable under the Central Government's "Scheme of budgetary support under Goods and Service Tax Regime" to compensate the loss on account of denial of exemption from payment of Central Excise Duty is recognised in the profit or loss of the period in which it becomes receivable, if there is no unfulfilled condition and other contingencies attaching thereto.

1.10 FOREIGN CURRENCY TRANSACTIONS:

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.

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.

1.10.04 Non-Integral Foreign Operations

In case of its wholly owned subsidiary company, being non-integral foreign operations, the items are translated by applying (a) actual rates for items of income and expenses in the Statement of Profit and Loss and (b) closing rate in respect of both monetary and non-monetary items in the Balance Sheet. The resulting exchange differences relating to long-term monetary items are charged off to the Other Comprehensive Income recognised in 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 actuarial assumptions of the defined benefit obligation are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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 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) Laminate and Allied products; and (b) Veneer 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, 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 achieve 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 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 is Derivative financial instruments.

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 separate major line of business or geographical area of operations; (c) is a subsidiary acquired exclusively with a view to resale.

1.22 EXPENSES FOR CORPORATE SOCIAL RESPONSIBILITY:

1.22.01 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.

1.22.02 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.

1.23 CONSOLIDATED FINANCIAL STATEMENTS

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 to the extent practicable and in case of difference, the same is disclosed.

1.24 RECENT ACCOUNTING PRONOUNCEMENTS

1.24.1 Appendix B to Ind AS 21, Foreign currency transactions and advance consideration

On 28 March 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from 1 April 2018. The Group has evaluated the effect of this on the financial statements and the impact is not material.

1.24.2 Ind AS 115- Revenue from Contract with Customers

On 28 March 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

• Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

• Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The effective date for adoption of Ind AS 115 is financial periods beginning on or after 1 April 2018.

The Group will adopt the standard on 1 April 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended 31 March 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.
The effective date for adoption of Ind AS 115 is financial beginning on or after April 1, 2018.

Notes to the Consolidated Financial Statements for the year ended 31st March 2018

NOTE 1. PROPERTY, PLANT AND EQUIPMENT

₹ in Lacs

Particulars	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As At 01/04/2016	Addition During The Year	Currency Translation Adjustment	Deduction During The Year	As At 31/03/2017	Upto 01/04/2016	For The Year	Currency Translation Adjustment	Adjustment For Deductions	Upto 31/03/2017	As At 31/03/2017	As At 31/03/2016
Freehold Land	1095.53	-	-	0.00	1095.53	-	-	-	-	-	1095.53	1095.53
Land Development	603.11	-	-	0.00	603.11	-	4.11	-	-	10.90	592.22	596.32
Buildings	13495.31	579.79	(25.09)	6.93	14043.08	141.76	(0.36)	-	3.93	2794.76	11248.32	11218.56
Plant and Equipments	31789.88	1217.97	(1.47)	38.49	32967.89	3855.21	(0.02)	231.76	34.05	15945.10	17022.80	18251.94
Furniture and Fixtures	1720.31	96.88	(5.96)	67.20	1744.03	106.64	0.26	50.57	51.40	865.56	878.47	986.20
Vehicles	826.00	211.14	(1.88)	154.92	880.34	26.20	(0.03)	13.11	128.62	449.39	430.95	354.20
Heavy Vehicles	12.92	1.39	0.00	0.00	14.31	-	-	-	-	12.35	1.96	0.78
Office Equipments	1379.68	77.25	(5.20)	59.12	1392.61	125.98	0.12	22.78	51.70	903.47	489.14	593.15
Total	**50922.74**	**2184.42**	**(39.60)**	**326.66**	**52740.90**	**4255.79**	**(0.03)**	**319.55**	**269.70**	**20981.53**	**31759.39**	**33096.68**
	50922.74	2184.42	(39.60)	326.66	52740.90	4255.79	(0.03)	319.55	261.79	24087.00	32590.11	33096.68

7. INVENTORIES *(Contd.)*

7.1 Details of Closing Stock of Raw Materials

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Paper	8746.96	7358.06	8120.57
Veneer	1834.75	2021.61	2419.82
Chemicals	1222.20	1004.98	1039.69
Plywood, Particle Board & MDF	1444.43	721.26	1167.59
Hardware and Accessories	365.34	321.31	257.21
Pine Wood & Core	429.41	253.50	167.28
Total	**14043.09**	**11680.72**	**13172.16**

7.2 Details of Closing Stock of Goods-in-Process

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Decorative Wood	28.87	20.28	21.34
Decorative Laminates	128.33	175.64	118.03
Decorative Veneers	1283.08	1039.37	545.35
Chemicals	82.95	108.73	72.80
Paper	439.91	497.52	298.15
Flooring Planks	1791.95	1057.32	560.86
Total	**3755.09**	**2898.86**	**1616.53**

7.3 Details of Closing Stock of Finished Goods

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Decorative Laminates	5837.72	6417.88	7957.62
Decorative Veneers	211.68	258.16	490.04
Engineered Wood Flooring	358.29	300.04	383.36
Melamine Faced Chipboards	29.76	8.44	7.03
Engineered Door Sets & Door Leaf	19.63	62.02	23.52
Total	**6457.08**	**7046.54**	**8861.57**

7.4 Details of Closing Stock of Stock in Trade

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Engineered Wood Flooring and Accessories	132.43	169.65	169.24
Decorative Laminates	207.92	161.14	16.82
Total	**340.35**	**330.79**	**186.06**

7.5 CERs held in inventory

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Numbers	Numbers	Numbers
CERs held in inventory	-	59864	59864

8. TRADE RECEIVABLES

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Outstanding for a period exceeding six months from date due for payment			
Secured, considered good	-	-	-
Unsecured, considered good	617.00	477.50	263.50
Unsecured, considered doubtful	765.78	659.58	344.75
	1382.78	1137.08	608.25
Less : Provision for Doubtful Trade Receivables *	765.78	659.58	344.75
	617.00	477.50	263.50
Other debts			
Secured, considered good	243.95	106.37	172.24
Unsecured, considered good	16193.95	15245.23	18458.56
Unsecured, considered doubtful	193.54	213.64	46.96
	16631.44	15565.24	18677.76
Less : Provision for Doubtful Trade Receivables *	193.54	213.64	46.96
	16437.90	15351.60	18630.80
Total	**17054.90**	**15829.10**	**18894.30**
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

9. CASH & BANK BALANCES

9.1 Cash & Cash Equivalents

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Balances with Banks - on Current Accounts	922.48	729.98	464.99
Cash on Hand	8.43	12.95	17.26
(A)	930.91	742.93	482.25

9.2 Other Bank Balances

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Cheque in Hand	66.85	-	-
Balances with Banks - unpaid dividend	0.67	0.34	0.11
Term Deposits with Banks (Receipts pledged with banks & others as security deposits)			
Maturity within 12 months	42.02	42.17	40.64
(B)	109.54	42.51	40.75
Total (A+B)	**1040.45**	**785.44**	**523.00**

10. LOANS - CURRENT FINANCIAL ASSETS

(Unsecured, considered good)

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advance to Employees			
Unsecured, considered good	86.17	139.84	119.45
Total	**86.17**	**139.84**	**119.45**

11. CURRENT TAX ASSETS (Net)

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advance Payment of Income Tax (Less Provision)	-	-	471.92
Total	**-**	**-**	**471.92**

12. OTHER CURRENT ASSETS

(Unsecured, considered good)

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advance to Others	260.61	245.77	-
Advance against Purchases	1068.15	919.51	1754.86
Service Tax Input Credit Receivable	-	177.48	228.19
Insurance Claim Receivable	118.50	92.03	95.12
Balance with Authorities	445.61	325.97	405.07
Advance Payment of Sales Tax	181.26	257.54	229.55
Export Incentive Receivable	682.99	1990.02	2296.88
Budgetary Support Under GST Regime Receivable	148.45	-	-
Prepaid Expenses	307.15	462.60	638.92
Unmatured Finance Charges	-	1.44	5.40
Prepaid Lease Rentals	21.15	21.09	20.39
Derivative Instruments-Mark to Market valuation	0.03	-	-
Total	**3233.90**	**4493.45**	**5674.38**

13. SHARE CAPITAL

13.1 Authorised

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Number	₹ in Lacs	Number	₹ in Lacs	Number	₹ in Lacs
Equity Shares of ₹5 each	30000000	1500.00	30000000	1500.00	30000000	1500.00

13.2 Issued, Subscribed and Fully Paid up

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Number	₹ in Lacs	Number	₹ in Lacs	Number	₹ in Lacs
Equity Shares of ₹5 each	24136374	1206.82	24136374	1206.82	24136374	1206.82

13.3 The reconciliation of the number of shares outstanding

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Number	₹ in Lacs	Number	₹ in Lacs	Number	₹ in Lacs
Equity Shares at the beginning of the year	24136374	1206.82	24136374	1206.82	24136374	1206.82
Add : Allotted during the year	-	-	-	-	-	-
Total	**24136374**	**1206.82**	**24136374**	**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 ₹5 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.

During the year, the amount of per share dividend recognized as distribution to equity shareholders was ₹1.50 (Previous year ₹1.0)

13. SHARE CAPITAL *(Contd.)*

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, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Number	%	Number	%	Number	%
EQUITY SHARES						
Greenply Leasing & Finance Pvt Ltd	8966114	37.15%	2724481	11.29%	2724481	11.29%
Saurabh Mittal	3206534	13.29%	3206534	13.29%	3306534	13.70%
Westbridge Crossover Fund LLC	1901342	7.88%	1901342	7.88%	1901342	7.88%
HDFC Trustee Company Ltd	2174376	9.01%	1779376	7.37%	1826049	7.57%
Ashish Dhawan	1362824	5.65%	1680969	6.96%	2032969	8.42%
Jwalamukhi Investment Holding *	-	-	1281634	5.31%	-	-
S.M.Management Pvt Ltd *	-	-	3543462	14.68%	3543462	14.68%
Prime Holdings Pvt Ltd *	-	-	2408560	9.98%	2408560	9.98%

* Comparative figure are not given as % of holding is below 5%.

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 (i.e. since incorporation) has:

i. Allotted 2,42,36,374 equity shares as fully paid and cancelled 1,00,000 equity shares pursuant to Scheme of Arrangement without payment being received in cash.

ii. Not allotted fully paid up shares by way of bonus shares

iii. Not bought back any class of shares.

14. RESERVES AND SURPLUS

₹ in Lacs

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
Capital Reserve						
Balance as per last Financial Statements		15020.44		15020.44		15020.44
General Reserve						
Balance as per last Financial Statements	1000.00		500.00		100.00	
Add: Transferred from Statement of Profit and Loss	500.00		500.00		400.00	
		1500.00		1000.00		500.00
Retained Earnings						
Retained Earnings other than OCI						
As per last Balance Sheet	12529.39		8354.03		5654.00	
Add : Net profit for the current year	6460.62		4965.87		3770.29	
Less : Foregin Currency Translation Adjustment	-		-		949.58	
Less : Ind AS Transition Date adjustments	-		-		(279.32)	
Less : Transferred to General Reserve	500.00		500.00		400.00	
Less : Dividend on Equity Shares	362.05		241.36		-	
Less : Tax on Distribution of Dividend	73.70		49.14			
Total	**18054.26**		**12529.39**		**8354.03**	
Other Comprehensive Income (OCI)						
As per last Balance Sheet	57.46		38.07	-		-
Exchange Differences on Consolidation	(121.53)		134.36		38.07	
Remeasurements of the net defined benefit plans	(104.16)		(114.97)		-	
	(168.22)	17886.04	57.46	12586.86	38.07	8392.10
Total		**34406.48**		**28607.30**		**23912.54**

15. LONG-TERM BORROWINGS

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Secured			
Term Loans			
From Banks			
Foreign Currency Loans	678.62	1857.68	10706.56
Rupee Loans	11524.95	11856.16	13925.55
	12203.57	13713.84	24632.11
Less : Current maturities of Long Term Borrowings	4128.57	4030.89	9926.66
	8075.00	9682.95	14705.45
Deferred Payment Liabilities	-	27.01	54.02
Less: Current maturities of Deferred Payment Liabilities	-	27.01	27.01
	-	-	27.01
	8075.00	9682.95	14732.46
Unsecured			
Deferred Payment Liabilities	5.38	10.28	22.59
Less: Current maturities of Deferred Payment Liabilities	5.38	4.35	11.52
	-	5.93	11.07
Total	**8075.00**	**9688.88**	**14743.53**

15.1 Term Loans of ₹12209.25 lacs comprises of ₹12043.07 lacs (Including prepaid processing fee of ₹5.68 Lacs) availed by the Holding Company and ₹166.18 lacs availed by Greenlam Asia Pacific Pte. Ltd. Term Loans of ₹12043.07 lacs are secured by first pari-passu charge on all movable fixed assets of the Holding Company, present and future, first pari-passu charge on immovable fixed assets of the Holding Company's units at (a) Behror (Rajasthan) and (b) Nalagarh (Himachal Pradesh), second pari-passu charge on all current assets of the Holding Company, present and future.

Term Loans of ₹166.18 lacs taken by Greenlam Asia Pacific Pte. Ltd., are secured against the property at 11, Sungei Kedat Crescent, Singapore , Personal Guarantee of Mr Saurabh Mittal. And Coprorate Guarantee given by the Holding Company for SGD 15.07 lacs.

15.2 Secured Deferred Payment liabilities are in respect of finance of Vehicle, Secured by hypothecation of respective vehicle.

15.3 Terms of Repayment and Rate of Interest of Term Loans

₹ in Lacs

		Repayment Schedule				
	Rate of Interest	2018-19*	2019-20	2020-21	2021-22	2022-23
Term Loans from Banks						
Secured						
2 Quarterly Installments	4.37%	513.07	-	-	-	-
12 Quarterly Installments	8.50%	1000.00	1000.00	1250.00	-	-
19 Quarterly Installments	8.13%	1000.00	1000.00	1000.00	1000.00	750.00
9 Quarterly Installments	8.35%	1455.00	1660.00	415.00	-	-
11 Monthly Installments	3.46%	166.18	-	-	-	-
Prepaid Processing Fees		(5.68)				
		4128.57	**3660.00**	**2665.00**	**1000.00**	**750.00**
Deferred Payment Liabilities						
Unsecured	2.99%	5.38	-	-	-	-

* Represents Current Maturities of Long Term Borrowings.

15.4 The Group has not defaulted in repayment of loans and interest during the period.

16. NON CURRENT-OTHER FINANCIAL LIABILITIES

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Others			
Security Deposits from Customers	229.75	181.16	195.86
Total	**229.75**	**181.16**	**195.86**

17. NON CURRENT PROVISIONS

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Provisions for Employee Benefits (unfunded)			
For Gratuity	1053.95	827.96	627.10
For Leave Encashment	498.06	421.03	285.83
Total	**1552.01**	**1248.99**	**912.93**

18. DEFERRED TAX LIABILITIES (NET) :

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
DEFERRED TAX LIABILITIES :			
Depreciation	2630.32	2449.42	2172.70
Others	467.93	855.61	901.70
	3098.25	3305.03	3074.40
LESS : DEFERRED TAX ASSETS :			
Provision for Gratuity/Liabilities	1147.55	1121.24	595.88
LESS : MAT CREDIT :			
MAT Credit Entitlement	-	-	875.04
Total	**1950.70**	**2183.79**	**1603.48**

19. SHORT TERM BORROWINGS

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Secured			
Loans Repayable on Demand			
Working Capital Loans			
From Banks			
Foreign Currency Loans	4602.66	5692.34	2964.68
Rupee Loans	6207.78	2999.63	6841.17
	10810.44	8691.97	9805.85
Unsecured			
Other Loans and advances			
From Banks	1500.00	-	-
Foreign Currency Loan - Buyers' Credit		-	1982.13
Vendor Bill discounting	-	5610.58	5437.89
Channel Finance Assurance Facility	650.00	1793.27	750.00
	2150.00	7403.85	8170.02
Total	**12960.44**	**16095.82**	**17975.87**

19.1 Working Capital Loans of ₹6207.78 lacs are secured by first pari-passu charge on all current assets of the Holding Company, present and future, second pari-passu charge on all movable fixed assets of the Holding Company, present and future, second pari-passu charge on immovable fixed assets of the Holding Company's units at (a) Behror (Rajasthan) and (b) Nalagarh (Himachal Pradesh).

Working Capital Foreign Currency Loans of ₹4602.66 lacs availed by Subsidiaries companies, Out of which ₹3187.76 availed by Greenlam Asia Pacific Pte Ltd , ₹911.11 availed by Greenlam Europe UK Ltd and ₹503.79 availed by Greenlam America Inc.

Working Capital Loans of ₹3187.76 lacs of Greenlam Asia Pacific Pte Ltd., are secured against first exclusive charge on all assets and accounts of the company and Corporate Guarantee of the Holding Company (USD 85 lacs) and 10% cash margin for LC facilities excluding mortgage of Property with UOB. The bills payable LC-DP/TR is secured by bank's lien over the current assets of the Company for which a charge has been registered.

Working Capital Loans of ₹911.11 lacs of Greenlam Europe UK Ltd., are secured against Corporate Guarantee given by Holding Company (GBP 10 lac).

Working Capital Loans of ₹503.79 lacs of Greenlam America Inc., are secured against SBLC given by the holding company (USD 10 lacs).

19.2 The Group has not defaulted in repayment of loans and interest during the period.

20. TRADE PAYABLES ₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Dues to Micro and Small Enterprises (Refer Note No. 44)	85.85	-	-
Dues to Other than Micro and Small Enterprises	15676.03	12905.43	13455.29
Total	**15761.88**	**12905.43**	**13455.29**

21. OTHER CURRENT LIABILITIES ₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Current maturities of Long Term Borrowings*	4128.57	4030.89	9926.66
Current maturities of Deferred Payment Liabilities*	5.38	31.36	38.53
Unpaid Dividend	0.67	0.34	0.11
Interest Accrued but not due on borrowings	5.73	77.53	40.34
Derivative Instruments-Mark to Market valuation	-	85.98	5.06
Total	**4140.35**	**4226.09**	**10010.70**

* The terms are stated in notes nos. 15.1 to 15.3

21.1 Amount due and outstanding to be credited to the Investor Education and Protection Fund ₹ Nil (Previous period ₹ Nil)

22. OTHER CURRENT LIABILITIES ₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advance from Customers	444.64	549.38	421.04
Statutory Dues	1053.00	1997.99	2074.75
Provision for Cash Discount	78.55	63.56	74.69
Total	**1576.19**	**2610.93**	**2570.48**

23. CURRENT PROVISIONS ₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Provisions for Employee Benefits (unfunded)			
For Gratuity	53.31	25.50	27.01
For Leave Encashment	64.09	40.43	24.70
Total	**117.40**	**65.93**	**51.71**

24. CURRENT TAX LIABILITIES (NET) ₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Provision for Taxation	346.02	56.81	-
Total	**346.02**	**56.81**	**-**

25. REVENUE FROM OPERATIONS ₹ in Lacs

	For the year ended 31st March,2018		For the year ended 31st March,2017	
Sale of Products (including Excise Duty)		113284.88		107912.56
Other Operating Revenue				
Export Incentive Received	2001.14		3537.11	
Insurance Claim Received	62.05		60.81	
Budgetary Support Under GST Regime	148.45		-	
Miscellaneous Income	75.84	2287.48	123.09	3721.01
Total		**115572.36**		**111633.57**

25.1 Company's unit at Nalagarh (Himachal Pradesh) was exempt from levy of Central Excise Duty under old Tax regime till 30th June 2017. Thereafter it is entitled to Budgetary support under GST regime.

25.2 Post the applicability of Goods and Services Tax (GST) with effect from 1 July 2017, revenue from operations are disclosed net of GST, whereas excise duty formed part of expenses in the previous year and also for part of the current year till 30th June 2017. Accordingly, revenue from operations and Expenses for the year ended 31 March 2018 are not comparable with the previous year presented in the financial statements.

25.3 PARTICULARS OF SALE OF PRODUCTS ₹ in Lacs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Decorative Laminates [including exports ₹42825.89 lacs (Previous year ₹43738.62 lacs)]	95776.51	91382.98
Decorative Veneers [including exports ₹152.11 lacs (Previous year ₹15.53 lacs)]	12100.77	11939.11
Engineered Wood Flooring [including exports ₹91.82 lacs (Previous year ₹1.97 lacs)]	2681.68	2014.19
Melamine Faced Chipboards	547.46	683.30

25. REVENUE FROM OPERATIONS *(Contd.)*

25.3 PARTICULARS OF SALE OF PRODUCTS

₹ in Lacs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Engineered Door Sets & Door Leaf	1563.26	1082.34
[including exports ₹640.77 lacs (Previous year ₹576.21 lacs)]		
Others	615.20	810.64
[including exports ₹1.14 lacs (Previous year ₹6.57 lacs)]		
Total	**113284.88**	**107912.56**

26. OTHER INCOME

₹ in Lacs

	For the year ended 31st March,2018	For the year ended 31st March,2017
Interest Income	68.85	127.11
Liabilities no longer required written back	72.58	45.72
Gain on Sale of Fixed Assets	3.03	-
Other Income	18.96	78.50
Total	**163.42**	**251.33**

27. COST OF MATERIALS CONSUMED

₹ in Lacs

	For the year ended 31st March,2018		For the year ended 31st March,2017	
Paper		32266.31		30796.28
Decorative Wood		398.09		304.59
Veneer		3270.14		3177.45
Chemicals		17681.50		15391.21
Plywood, Particle Board, MDF and Pine Wood		4173.91		3669.65
Hardware and Accessories		630.02		504.52
Total		**58419.97**		**53843.70**
	(%)		(%)	
Imported	62.43	36470.23	61.88	33319.74
Indigenous	37.57	21949.74	38.12	20523.96
Total	**100.00**	**58419.97**	**100.00**	**53843.70**

27.1 Cost of Materials Consumed includes cost of materials sold ₹142.22 lacs (Previous year ₹641.84 lacs)

28. PURCHASE OF STOCK IN TRADE

₹ in Lacs

	For the year ended 31st March,2018	For the year ended 31st March,2017
Decorative Veneers	200.61	241.39
Decorative Laminates	1253.94	2105.58
Engineered Wood Flooring and Accessories	192.30	117.13
Total	**1646.85**	**2464.10**

29. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS AND STOCK IN TRADE

₹ in Lacs

	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
OPENING STOCK				
Finished Goods	7046.54		8861.57	
Stock in Trade	330.79		186.06	
Certified Emission Reductions (CER)	8.68		8.68	
Goods-in-Process	2898.86	10284.87	1616.53	10672.84
CLOSING STOCK				
Finished Goods	6457.08		7046.54	
Stock in Trade	340.35		330.79	
Certified Emission Reductions (CER)	-		8.68	
Goods-in-Process	3755.09	10552.52	2898.86	10284.87
Currency Translation Adjustment		30.76		(22.93)
Total		**(236.89)**		**365.04**

30. EMPLOYEES BENEFITS EXPENSE

₹ in Lacs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Salary, Wages and Bonus	16142.70	14258.87
Contribution to Provident Fund & Employees' State Insurance	732.48	635.82
Employees' Welfare Expenses	463.21	353.74
Total	**17338.39**	**15248.43**

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.

iii) **Actuarial Valuation of Gratuity Liability :**

₹ in Lacs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
a. **Defined Benefit Cost**		
Current Service Cost	152.17	127.74
Interest Expense on Defined Benefit Obligation (DBO)	62.90	52.33
Defined Benefit Cost included in Profit and Loss	215.07	180.07
Remeasurements - Due to Financial Assumptions	62.33	12.86
Remeasurements - Due to Experience Adjustments	22.65	47.67
Defined Benefit Cost included in Other Comprehensive Income	**84.99**	**60.53**
Total Defined Benefit Cost in Profit and Loss and OCI	**300.06**	**240.60**

30. EMPLOYEES BENEFITS EXPENSE *(Contd.)*

₹ in Lacs

		For the year ended 31st March, 2018	For the year ended 31st March, 2017
b.	**Movement in Defined benefit liability:**		
	Opening Defined Benefit Obligation	853.45	654.10
	Interest Expense on Defined Benefit Obligation (DBO)	62.90	52.33
	Current Service Cost	152.17	127.74
	Total Remeasurements included in OCI	84.99	60.53
	Less: Benefits paid	(46.24)	(41.25)
	Closing benefit obligation	**1107.26**	**853.45**
	Current Liabilities of Closing benefit obligation	53.31	25.49
	Non-Current Liabilities of Closing benefit obligation	1053.95	827.96
		1107.26	**853.45**
c.	Sensitivity Analysis:		
	Under Base Scenario		
	Salary Escalation - Increase by 0.50%	73.07	58.15
	Salary Escalation - Decrease by 0.50%	(67.35)	(53.50)
	Discount Rates - Increase by 0.50%	(66.21)	(52.38)
	Discount Rates - Decrease by 0.50%	72.43	57.37
d.	**Actuarial assumptions:**		
	Mortality Table	IALM 2006-2008	IALM 2006-2008
	Discount Rate (per annum)	7.71%	7.37%
	Expected rate of return on plan assets (per annum)	-	-
	Rate of escalation in salary (per annum)	6.30%	5.50%
	Withdrawal rates:		
	Up to 30 Years	3.00%	3.00%
	From 31 to 44 years	2.00%	2.00%
	Above 44 years	1.00%	1.00%

iv) **Actuarial Valuation of Leave Encashment Liability :**

₹ in Lacs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Defined Benefit Cost		
Current Service Cost	106.93	101.63
Interest Expense on Defined Benefit Obligation (DBO)	34.01	24.84
Defined Benefit Cost included in Profit and Loss	140.94	126.47
Remeasurements - Due to Financial Assumptions	31.69	7.13
Remeasurements - Due to Experience Adjustments	42.59	108.17
Defined Benefit Cost included in Other Comprehensive Income	**74.28**	**115.30**
Total Defined Benefit Cost in Profit and Loss and OCI	**215.22**	**241.77**
Movement in Defined benefit liability:		
Opening Defined Benefit Obligation	461.46	310.52
Interest Expense on Defined Benefit Obligation (DBO)	34.01	24.84
Current Service Cost	106.93	101.63
Total Remeasurements included in OCI	74.28	115.30
Less: Benefits paid	(114.53)	(90.83)
Closing benefit obligation	**562.15**	**461.46**
Current Liabilities of Closing benefit obligation	64.09	40.43
Non-Current Liabilities of Closing benefit obligation	498.06	421.03
	562.15	**461.46**

30. EMPLOYEES BENEFITS EXPENSE *(Contd.)*

iv) **Actuarial Valuation of Leave Encashment Liability :**

₹ in Lacs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Sensitivity Analysis:		
Under Base Scenario		
Salary Escalation - Increase by 0.50%	36.85	30.51
Salary Escalation - Decrease by 0.50%	(33.91)	(30.39)
Discount Rates - Increase by 0.50%	(33.34)	(29.78)
Discount Rates - Decrease by 0.50%	36.52	30.09
Actuarial assumptions:		
Mortality Table	IALM 2006-2008	IALM 2006-2008
Discount Rate (per annum)	7.71%	7.37%
Expected rate of return on plan assets (per annum)	-	-
a. Rate of escalation in salary (per annum)	6.30%	5.50%
Withdrawal rates:		
Up to 30 Years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Leave Availment Rate	4.00%	4.00%

v) Amount incurred as expense for defined contribution to Provident Fund is ₹505.94 lacs (Previous Year ₹451.89 lacs).

The foregoing information related to Parent Company.

31. FINANCE COSTS

₹ in Lacs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest Expense	1761.03	2745.35
Other Borrowing Cost	44.19	109.59
Total	**1805.22**	**2854.94**

32. DEPRECIATION & AMORTISATION EXPENSE

₹ in Lacs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Depreciation Expense	3478.86	3569.40
Amortisation Expense	116.41	94.89
Total	**3595.27**	**3664.29**

33. OTHER EXPENSES

₹ in Lacs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Consumption of stores and spares	655.34	861.76
Power & Fuel	3211.26	2673.91
Rent	1022.49	980.89
Repairs to buildings	81.93	61.69
Repairs to machinery	792.61	813.00
Insurance	231.27	239.61
Rates and taxes	26.84	257.43
Travelling expenses	1568.58	1569.91

33. OTHER EXPENSES *(Contd.)* ₹ in Lacs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Freight & delivery expenses	2869.16	2732.91
Export Expenses	2954.39	2337.49
Advertisement & Sales promotion	4689.59	4349.02
Auditors' Remuneration	59.29	56.78
Secretarial Auditor's Remuneration	1.10	1.01
Expenditure on CSR Activities	113.50	67.76
Provision for Doubtful Debts	218.39	481.51
Loss on Sale / Discard of Assets	3.49	19.07
Directors' Sitting Fees *	10.21	8.39
Independent Directors' Commission *	30.00	34.50
Miscellaneous Expenditure written off	-	15.23
Amortisation of Prepaid Lease Rentals	21.15	21.09
Loss due to Fluctuation in Foreign Exchange Rates	9.56	366.43
Other General Expenses	3844.66	3876.27
Total	**22414.81**	**21825.66**

* Inclusive of Service tax

33.1 CONSUMPTION OF STORES AND SPARES ₹ in Lacs

Imported	151.26	83.13
Indigenous	504.08	778.63
Total	**655.34**	**861.76**

33.2 AUDITORS' REMUNERATION ₹ in Lacs

As Auditors	57.63	54.99
For other services	1.66	1.79
Total	**59.29**	**56.78**

Note : Fees are exclusive of cenvatable service tax and Goods & Services Tax

33.3 CONTRIBUTION FOR CSR ACTIVITIES ₹ in Lacs

(a) Gross Amount required to be spent by the Company during the year	113.29	67.47
(b) Amount spent during the year in Cash on :		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above		
- Contribution towards Woman and Child Health Care	51.03	38.98
- Contribution towards Education of Orphan Girl Child	28.50	22.77
- Contribution towards promotion of education, health and livelihood.	33.97	6.01
	113.50	**67.76**

34. TAXATION ₹ in Lacs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Tax Expense recognised in the Statement of Profit and Loss:		
Current Tax Expense	3368.36	1921.24
Mat Credit Entitlement	-	855.50
Income Tax Expense	**3368.36**	**2776.74**
Earlier Years Tax Expense	-	63.22
Income Tax Expense including Earlier year tax	**3368.36**	**2839.96**

34. TAXATION *(Contd.)* ₹ in Lacs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Release of Deferred Tax	(177.65)	(241.85)
Total Tax Expense in Statement of Profit and Loss	**3190.71**	**2598.11**
Reconciliation of Tax Expense recognised in the Statement of Profit and Loss:		
Profit before Tax as per Statement of Profit and Loss	9652.44	7565.16
Re-measurement gain/(loss) on defined benefit plans in OCI	(159.28)	(175.82)
Changes in Profit before tax due to Ind AS Transition	-	232.03
Accounting Profit before Tax	**9493.16**	**7621.37**
Applicable Income Tax rate	34.608%	34.608%
Computed Tax expense	3285.39	2637.60
Additional deductions for tax purpose	(302.03)	(11.86)
Expense not allowed for tax purpose	40.37	24.40
Timing difference of Depreciation	(228.57)	(112.29)
Timing difference of Liabilities	628.62	332.23
Effect of Differential Tax rate under various jurisdiction	(55.42)	(93.34)
Earlier Years Tax Expense	-	63.22
Income Tax charged to Statement of Profit and Loss (A)	**3368.36**	**2839.96**
Reconciliation of Deferred Tax Liability:		
Timing difference of Depreciation	228.57	122.46
Timing difference of Liabilities	(461.34)	(425.16)
Deferred Tax in Statement of Profit and Loss	**(232.77)**	**(302.70)**
Timing difference of Liabilities in Other Comprehensive Income	55.12	60.85
Deferred Tax in Total Comprehensive Income (B)	**(177.65)**	**(241.85)**
Tax Expense recognised in Statement of Profit & Loss (A+B)	**3190.71**	**2598.11**
Effective Tax Rate	**33.61%**	**34.09%**

35. EARNINGS PER SHARE ₹ in Lacs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Calculation of weighted average number of equity shares of ₹5 each		
No of Shares at the beginning of the year	24136374	24136374
Total number of equity shares outstanding at the end of the year	24136374	24136374
Weighted average number of equity shares outstanding during the year	24136374	24136374
Net Profit (after tax, available for equity shareholders)	6460.62	4965.86
BASIC EARNINGS PER SHARE (in ₹)	**26.77**	**20.58**

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,2018

Notes to the Consolidated Financial Statements for the year ended 31st March 2018

36. SEGMENT REPORTING *(Contd.)*

Secondary Segment - Geographical by location of customers

₹ in Lacs

	Revenue		Carrying Amount of Segment Assets		Additions to Fixed Assets	
	FOR THE YEAR ENDED 31.03.2018	FOR THE YEAR ENDED 31.03.2017	FOR THE YEAR ENDED 31.03.2018	FOR THE YEAR ENDED 31.03.2017	FOR THE YEAR ENDED 31.03.2018	FOR THE YEAR ENDED 31.03.2017
Within India	69573.16	64739.79	77264.96	73005.28	3815.88	2483.80
Outside India	43711.72	43172.77	5067.50	6080.71	69.98	(3.45)
	113284.88	**107912.56**	**82332.46**	**79085.99**	**3885.86**	**2480.35**

NOTES:

a) **Business Segments :**

A description of the types of products and services provided by each reportable segment is as follows:

Laminate & Allied Products: The Segment is engaged in the business of manufacturing of Laminates, compact laminates and other allied products through its wholesale and retail network.

Veneered & Allied Products: The Segment is engaged in the business of manufacturing of Decorative veneers, Engineered Wood Flooring, Engineered Door Sets & Door Leaf 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).

37. RELATED PARTY DISCLOSURES

37.1 List of related parties and relationship:

a) **Related parties with whom transactions have taken place during the year.-**

Key Management Personnel

i) Mr. Saurabh Mittal, Managing Director & CEO
ii) Ms. Parul Mittal, Whole-Time Director
iii) Mr. Vijay Kumar Chopra, Independent Director
iv) Ms. Urvashi Saxena, Independent Director
v) Ms. Sonali Bhagwati Dalal, Independent Director
vi) Mr. Ashok Kumar Sharma, Chief Financial Officer
vii) Mr. Prakash Kumar Biswal, Company Secretary

Enterprises Owned/Influenced by Key Management Personnel or their relatives

i) Himalaya Granites Ltd.
ii) Greenply Industries Ltd.

Relatives of Key Management Personnel

i) Ms. Parul Mittal (Wife of Mr. Saurabh Mittal)
ii) Seema Realcon Pvt Ltd (Brother of Mrs Parul Mittal is a Director in Seema Realcon Pvt Ltd.)

Notes to the Consolidated Financial Statements For The Year Ended 31st March 2018

36. SEGMENT REPORTING *(Contd.)*

Information about Business Segments - Primary

₹ in Lacs

REPORTABLE SEGMENT	LAMINATE & ALLIED PRODUCTS		VENEER & ALLIED PRODUCTS		UN ALLOCATED		TOTAL	
	FOR THE PERIOD ENDED 31.03.2018	FOR THE YEAR ENDED 31.03.2017	FOR THE PERIOD ENDED 31.03.2018	FOR THE YEAR ENDED 31.03.2017	FOR THE PERIOD ENDED 31.03.2018	FOR THE YEAR ENDED 31.03.2017	FOR THE PERIOD ENDED 31.03.2018	FOR THE YEAR ENDED 31.03.2017
REVENUE								
External Sales	96901.83	92602.47	16383.05	15310.09	-	-	113284.88	107912.56
Inter-segment Sales	-	-	-	-	-	-	-	-
Gross Sales	**96901.83**	**92602.47**	**16383.05**	**15310.09**	**-**	**-**	**113284.88**	**107912.56**
Other Operating Income	2231.64	3702.04	55.84	18.97	-	-	2287.48	3721.01
Revenue from Operation	**99133.47**	**96304.51**	**16438.89**	**15329.06**	**-**	**-**	**115572.36**	**111633.57**
RESULT								
Segment Result	15193.21	13342.57	1463.39	(196.36)	-	-	16656.60	13146.21
Unallocated Corporate Expenses					5267.79	2853.22	5267.79	2853.22
Operating Profit							**11388.81**	**10292.99**
Less : Interest Expense							1805.22	2854.94
Add : Interest Income							68.85	127.11
Profit before Tax							**9652.44**	**7565.16**
Current Tax							3368.36	2839.96
Deferred Tax							(177.65)	(241.85)
Profit after Tax							**6461.73**	**4967.05**
Other Comprehensive Income							225.69	(19.39)
Total Comprehensive Income for the year, net of Tax							**6236.04**	**4986.44**
OTHER INFORMATION								
Segment Assets	55880.77	53317.42	22242.15	22385.00	4209.54	3383.57	82332.46	79085.99
Segment Liabilities	15289.60	13644.67	2529.44	2571.37	1770.61	1017.05	19589.65	17233.09
Loan Fund					2516939	29846.95	2516939	29846.95
Deferred Tax Liabilities (Net)					1950.70	2183.79	1950.70	2183.79
Minority Interest					9.42	8.04	9.42	8.04
Shareholders' Funds					35613.29	29814.11	35613.29	29814.12
Total Liabilities							82332.46	79085.99
Capital Expenditure	3639.89	1473.73	174.13	668.43	71.84	338.19	3885.86	2480.35
Depreciation	2376.17	2525.33	902.90	872.43	316.20	266.53	3595.27	3664.29

37. RELATED PARTY DISCLOSURES *(Contd.)*

37.2 TRANSACTIONS DURING THE YEAR:

₹ in Lacs

Particulars	Key Management Personnel		Enterprises Owned/ Influenced by Key Management Personnel or their relatives		Relatives of Key Management Personnel	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Sale of Products						
Greenply Industries Ltd.	-	-	375.64	213.51	-	-
Seema Realcon Pvt Ltd	-	-	-	-	4660.47	2210.96
Total	**-**	**-**	**375.64**	**213.51**	**4660.47**	**2210.96**
Purchase of Products						
Greenply Industries Ltd.	-	-	224.59	116.20	-	-
Seema Realcon Pvt Ltd			-	-	16.16	-
Total	**-**	**-**	**224.59**	**116.20**	**16.16**	**-**
Rent Paid						
Himalaya Granites Ltd.	-	-	52.29	49.60	-	-
Greenply Industries Ltd.	-	-	0.60	0.60	-	-
Total	**-**	**-**	**52.89**	**50.20**	**-**	**-**
Remuneration Paid						
Mr. Saurabh Mittal	497.93	377.16	-	-	-	-
Ms. Parul Mittal	277.35	225.60	-	-	-	-
Mr. Vijay Kumar Chopra#	13.50	14.89	-	-	-	-
Ms. Urvashi Saxena#	13.50	14.15	-	-	-	-
Ms. Sonali Bhagwati Dalal#	12.80	13.85	-	-	-	-
Mr. Ashok Kumar Sharma	104.82	92.03	-	-	-	-
Mr. Prakash Kumar Biswal	39.29	37.07	-	-	-	-
Total	**959.19**	**774.75**	**-**	**-**	**-**	**-**
Amount outstanding as at Balance Sheet date						
Trade Receivable						
Greenply Industries Ltd.	-	-	10.77	31.53	-	-
Seema Realcon Pvt Ltd	-	-	-	-	65.24	220.07
Total	**-**	**-**	**10.77**	**31.53**	**65.24**	**220.07**
Trade Payable						
Greenply Industries Ltd.	-	-	21.52	22.57	-	-
Total	**-**	**-**	**21.52**	**22.57**	**-**	**-**
Remuneration Payable						
Mr. Saurabh Mittal	233.45	153.00	-	-	-	-
Ms. Parul Mittal	142.95	108.00	-	-	-	-
Total	**376.40**	**261.00**	**-**	**-**	**-**	**-**

Including sitting fees, commission & service tax in previous year figures.

* Amount due from Seema Realcon Pvt Ltd is exclusive of ₹376.49 lacs (Previous Year ₹243.36 Lacs), received through Channel Finance Facility from a Bank.

Note: All related party contracts / arrangements have been entered on arms' length basis

Related Party Relationship is as identified by the Company and relied upon by the Auditors.

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 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (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, 2014 (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 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.

38.2 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 2016 are consistent with the estimates as at the same date made in conformity 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) Derivative financial instruments carried at fair value;

(ii) Impairment of trade receivables based on expected credit loss model.

38.3 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 subsidiaries where an option to carry at cost less impairment is available.

38.4 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 ₹1529.55 lacs under fixed assets on transition date has been reclassified to Prepaid Lease rentals of ₹1529.55.

38.5 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 ₹30.59 lacs with corresponding credit to retained

38. First- Time Adoption of Ind AS: *(Contd.)*

earnings. Subsequently, during year ended 31 March 2017 interest cost and borrowings has increased by ₹14.69 lacs on account of application of effective interest rate method.

38.6 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 ₹241.36 lacs and dividend distribution tax of ₹49.14 lacs on transition date has been derecognised in the retained earnings.

Liability for proposed dividend of ₹362.04 lacs and dividend distribution tax of ₹73.71 lacs which was dereognised on 31st March, 2017, has been recognised in the retained earnings during the year ended 31 March 2018, as declared and paid.

38.7 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 2017 by ₹4053.59 lacs. There is no impact on total equity and profit.

38.8 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 ₹263.32 lacs on transition date and by an additional amount of ₹213.23 lacs during year ended 31 March 2017. Provision for expected credit losses stood at ₹873.22 lacs as on 31 March 2017.

38.9 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. Accordinlgy, trade receivables to the extent of recourse amounting to ₹1793.27 lacs was not de-recognised from trade receivables with corresponding recognition of short term borrowings as on 31 March 2017.

38.10 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 ₹74.69 lacs has been recognised on transition date with corresponding charge to retained earnings. During the year ended 31 March 2017, provision has been decreased by ₹11.13 lacs by netting off with Gross revenue. As such closing provision for expected cash discounts as on 31 March 2017 stood at ₹63.56 lacs.

38.11 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.

38. First- Time Adoption of Ind AS: *(Contd.)*

As such, MTM gain of ₹5.06 lacs has been recognised on transition date, with corresponding credit to retained earnings. During the year ended 31 March 2017, MTM loss of ₹25.17 lacs has been recognised in profit and loss account, with corresponding credit to derivative liability.

38.12 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 ₹175.82 lacs as on 31.03.2017 on date has been recognised in OCI instead of Employee benefit expenses.

38.13 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, Preliminary expenses and Issuance of Share capital expenses as on the transition date of ₹75.06 lacs have been charged to retained earnings. Further out of such expenses incurred during year ended 31 March 2017, a sum of ₹15.23 lacs (net of amount already written off and reversal of adjustment as on transition date) has been charged to profit and loss account.

38.14 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 ₹147.24 lacs during the year ended 31 March 2017 has been netted off from revenue and reduced from sales promotion expenses. Under previous GAAP, all such incentives were shown as Sales promotion expenses.

38.15 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 ₹162.78 lacs has been recognised by credit to retained earnings. During the year ended 31 March 2017, deferred tax expense has been decreased by ₹103.09 lacs - out of which a sum of ₹60.85 lacs has been credited to other comprehensive income and balance ₹42.24 lacs to profit and loss account.

38.16 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 2017. As such, the company has availed the option available under Ind AS 101.

38.17 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, all the advances are repayable within a period of 12 months and has there are no impact on financial statements.

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 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 and security deposit expiring after a period of 12 month is considered as long term and valued at amortised cost.

38. First- Time Adoption of Ind AS: *(Contd.)*

38.18 RECONCILIATION OF EQUITY AS ON TRANSITION DATE 1ST APRIL 2016 AS PER IND AS

₹ in Lacs

	Previous GAAP	Adjustments	Ind AS
ASSETS			
Non-current Assets			
Property, Plant and Equipment	34626.23	(1529.55)	33096.68
Capital Work-in-Progress	395.28	-	395.28
Other Intangible Assets	696.18	-	696.18
Financial Assets			
Investments	-	-	-
Loans	501.63	(153.97)	347.66
Other Non-current Assets	53.08	1639.18	1692.26
	36272.40	**(44.34)**	**36228.06**
Current Assets			
Inventories	24735.13	-	24735.13
Financial Assets			
Trade Receivables	18407.62	486.68	18894.30
Cash and Cash Equivalents	482.25	-	482.25
Bank Balances other than above	40.75	-	40.75
Loans	119.45	-	119.45
Current Tax Assets (Net)	471.92	-	471.92
Other Current Assets	5675.94	(1.56)	5674.38
	49933.06	**485.12**	**50418.18**
TOTAL :	**86205.46**	**440.78**	**86646.24**
EQUITY AND LIABILITIES			
Equity:			
Equity Share Capital	1206.82	-	1206.82
Other Equity	23304.63	607.91	23912.54
	24511.45	**607.91**	**25119.36**
Liabilities:			
Non-current Liabilities			
Non Controlling Interest	7.03	-	7.03
Financial Liabilities			
Borrowings	14774.13	(30.60)	14743.53
Other Financial Liabilities	698.74	(502.88)	195.86
Provisions	912.93	-	912.93
Deferred Tax Liabilities (Net)	1766.26	(162.78)	1603.48
	18159.09	**(696.26)**	**17462.83**
Current Liabilities			
Financial Liabilities			
Borrowings	11787.98	6187.89	17975.87
Trade Payables	18898.24	(5442.95)	13455.29
Other Financial Liabilities	10005.64	5.06	10010.70
Other Current Liabilities	2500.85	69.63	2570.48
Provisions	342.21	(290.50)	51.71
Current Tax Liabilities (Net)	-	-	-
	43534.92	**529.13**	**44064.05**
TOTAL :	**86205.46**	**440.78**	**86646.24**

38. First- Time Adoption of Ind AS: *(Contd.)*

38.19 RECONCILIATION OF EQUITY AS ON 31ST MARCH 2017 AS PER IND AS

₹ in Lacs

	Previous GAAP	Adjustments	Ind AS
ASSETS			
Non-current Assets			
Property, Plant and Equipment	33318.68	(1559.29)	31759.39
Capital Work-in-Progress	535.53	-	535.53
Other Intangible Assets	623.34	-	623.34
Financial Assets			
Investments	-	-	-
Loans	558.75	(177.74)	381.01
Other Non-current Assets	40.25	1693.87	1734.12
	35076.55	**(43.16)**	**35033.39**
Current Assets			
Inventories	22804.77	-	22804.77
Financial Assets			
Trade Receivables	14511.08	1318.02	15829.10
Cash and Cash Equivalents	742.93	-	742.93
Bank Balances other than above	42.51	-	42.51
Loans	139.84	-	139.84
Current Tax Assets (Net)	15.68	(15.68)	-
Other Current Assets	4497.38	(3.93)	4493.45
	42754.19	**1298.41**	**44052.60**
TOTAL :	**77830.74**	**1255.25**	**79085.99**
EQUITY AND LIABILITIES			
Equity:			
Equity Share Capital	1206.82	-	1206.82
Other Equity	27864.33	742.97	28607.30
	29071.15	**742.97**	**29814.12**
Liabilities:			
Non-current Liabilities			
Non Controlling Interest	8.04	-	8.04
Financial Liabilities			
Borrowings	9703.21	(14.33)	9688.88
Other Financial Liabilities	810.79	(629.63)	181.16
Provisions	1248.99	-	1248.99
Deferred Tax Liabilities (Net)	2452.83	(269.04)	2183.79
	14223.85	**(912.99)**	**13310.86**
Current Liabilities			
Financial Liabilities			
Borrowings	8691.97	7403.85	16095.82
Trade Payables	18677.92	(5772.49)	12905.43
Other Financial Liabilities	4141.70	84.39	4226.09
Other Current Liabilities	2449.98	160.95	2610.93
Provisions	501.67	(435.74)	65.93
Current Tax Liabilities (Net)	72.50	(15.70)	56.81
	34535.74	**1425.27**	**35961.01**
TOTAL :	**77830.74**	**1255.25**	**79085.99**

38. First- Time Adoption of Ind AS: *(Contd.)*

38.20 RECONCILIATION OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017 AS PER IND AS

₹ in Lacs

	Previous GAAP	Adjustments	Ind AS
INCOME:			
Sale of Products	103995.08	3917.48	107912.56
Other Operating Revenue	3721.01	-	3721.01
Revenue from Operations	107716.09	3917.48	111633.57
Other Income	240.18	11.15	251.33
Total Revenue	**107956.27**	**3928.63**	**111884.90**
EXPENDITURE:			
Cost of Materials Consumed	53843.70	-	53843.70
Purchase of Stock in Trade	2464.10	-	2464.10
Changes in Inventories of Finished Goods, Stock in Process and Stock in Trade	365.04	-	365.04
Excise Duty Expense	-	4053.59	4053.59
Employees Benefits Expense	15424.25	(175.82)	15248.43
Finance Costs	2840.25	14.69	2854.94
Depreciation and Amortisation Expense	3685.37	(21.08)	3664.29
Other Expenses	21712.17	113.49	21825.66
Total Expenditure	**100334.88**	**3984.87**	**104319.74**
Profit before Tax	**7621.39**	**(56.24)**	**7565.16**
Current Tax	(1984.46)	-	(1984.46)
Mat Credit Entitlement	(855.50)	-	(855.50)
	(2839.96)	**-**	**(2839.96)**
Release of Deferred Tax	199.61	42.24	241.85
Tax Expense	**(2640.35)**	**42.24**	**(2598.11)**
Non Controlling Interest	1.18	-	1.18
Profit for the Year	**4979.86**	**(14.00)**	**4965.87**
Other Comprehensive Income			
Items that will be reclassified to profit or loss:			
Exchange Differences on Consolidation	-	134.36	134.36
Items that will not be reclassified to profit or loss:			
Remeasurement gain/(loss) on defined benefit plans	-	(175.82)	(175.82)
Release of Deferred Tax	-	60.85	60.85
Other Comprehensive Income, net of tax	**-**	**19.39**	**19.39**
Total Comprehensive Income for the year, net of Tax	**4979.86**	**5.39**	**4985.26**

38.21 RECONCILIATION OF EQUITY AND NET PROFIT ON TRANSITION TO IND AS

₹ in Lacs

	Equity on 01.04.2016	Equity on 31.03.2017	Profit for year 2016-17
Shareholders Funds and Net Profit after tax as per previous GAAP	**24511.45**	**29071.15**	**4979.86**
Recognition of MTM of Forward and IRS Contracts	5.06	(20.11)	(25.17)
Recognition of Provision for Expected Cash Discounts	(74.69)	(63.56)	11.13
Recognition of Provision for Expected Credit Losses	(263.32)	(476.61)	(213.29)
Derecognition of Unamortised Expenses	(75.06)	(65.29)	9.77
Recognition of Prepaid Processing Fees	30.59	15.90	(14.69)
Derecongnitiion of Prepaid processing fee	(0.91)	(11.86)	(10.95)
Recognition of Interest Income on Lease	-	11.15	11.15
Derecognition of Proposed Dividend and Tax on Dividend	290.50	435.75	0.00
Reclassification of Actuarial loss on Defined Benefit plans	-	175.82	175.82

38. First- Time Adoption of Ind AS: *(Contd.)*

38.21 RECONCILIATION OF EQUITY AND NET PROFIT ON TRANSITION TO IND AS

₹ in Lacs

	Equity on 01.04.2016	Equity on 31.03.2017	Profit for year 2016-17
Deferred Tax impact of Ind AS adjustments	162.78	205.02	42.24
Reclassification of Foreign Currency Translation Balance	494.88	517.36	-
Net Impact of Ind AS adjustments in Reserves and Surplus	**569.84**	**723.58**	**(14.00)**
Reclassification of Actuarial loss on Defined Benefit plans	-	(175.82)	(175.82)
Exchange Differences on Consolidation	-	134.36	134.36
Reclassification of Foreign Currency Translation Balance	38.07	-	-
Deferred Tax impact of Ind AS adjustments	**-**	**60.85**	**60.85**
Net Impact of Ind AS adjustments in OCI	**38.07**	**19.39**	**19.39**
Net Impact of Ind AS adjustments in Reserves and Surplus	**607.91**	**742.97**	**5.39**
Shareholders Funds and Net Profit after tax as per Ind AS	**25119.36**	**29814.12**	**4985.26**

39. CONTINGENT LIABILITIES AND COMMITMENTS

39.1 Contingent liabilities

39.1.1 Pending Litigations:

Excise Duty, Sales Taxes and other Indirect Taxes claims disputed by the Company relating to issues of applicability and determination aggregating ₹232.74 lacs (Previous year ₹2691.88 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.

39.12 Others:

₹ in Lacs

		As At 31st March, 2018	As At 31st March, 2017
a.	Letters of Credit established but Goods not received	4423.96	3758.49

39.2 Commitments:

₹ in Lacs

		As At 31st March, 2018	As At 31st March, 2017
a.	Estimated pending Capital contract (Net of Advance)	1118.04	2348.85
b.	Uncalled liability on shares and other investments which are partly paid	-	-
c.	Other commitments	-	-

40. 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". Accordingly, it has adjusted a loss/(gain) of ₹(14.58 lacs) (Previous year Gain ₹17.07 lacs) during the period to the cost of its fixed assets on account of such difference arising during the current period 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.

41. 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, 2018 are summarized below:

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017
Amount due within one year	12.05	41.07
Amount due between one year and five years	-	5.12
Amount due above five years	-	-
Total	**12.05**	**46.19**

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 Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change of market interest rate

Interest Rate Sensitivity

The Following table demonstrate the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

₹ in Lacs

Particulars	Impact on profit & Loss	
	As at 31st March, 2018	As at 31st March, 2017
Interest Rate Increase by 50 basis point	(122.60)	(112.11)
Interest Rate decrease by 50 basis point	122.60	112.11

42.2 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.

42.3 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.

42. FINANCIAL RISK MANAGEMENT *(Contd.)*

Interest Rate Swap

Notional amount USD 7.89 Lacs ₹513.08 Lacs (Previous year USD 23.68 Lacs ₹1539.64 lacs)	Hedge against exposure to variable interest outflow on loans. Swap to pay fixed interest @ 2.12 % p.a. (in USD) and receive a variable interest @ 3 month USD-LIBOR on outstanding notional amount.

42.4 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.

Hedged Foreign Currency Exposures: ₹ in Lacs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Purchase (Hedging of Trade Payables)	3753.94	1613.40
Foreign Currency Term Loans	-	513.21

Unhedged Foreign Currency Exposures: ₹ in Lacs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Foreign Currency Term Loans	679.26	1346.53
Trade Payables	2830.34	3372.85
Advance to Vendors	684.68	693.46
Trade Receivables	8100.87	8261.16
Advance for Customers	-	21.68

42.5 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 probability 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.

Financial assets where Life time Expected Credit Losses (ECL) is used: ₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017
Trade Receivables (Gross of Provisions)	18014.22	16702.32
Less : Provision for Doubtful Receivables	959.32	873.22
Trade Receivables (Net of Provisions)	**17054.90**	**15829.10**

42. FINANCIAL RISK MANAGEMENT *(Contd.)*

42.6 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.

42.7 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, 2018	As at 31st March, 2017
Total Debt	25169.39	29846.95
Total Equity	35613.30	29814.12
Capital and Net Debt	**60782.69**	**59661.07**
Gearing Ratio	**41.41%**	**50.03%**

43. ACCOUNTING CLASSIFICATIONS AND FAIR VALUES.

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 technique:

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 : Techniques using inputs having significant effect on the recorded fair value that are not based on observable market data.

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Financial assets at amortised cost:			
Loans - Non-current	375.62	381.01	347.66
Other Non Current Assets	1761.97	1734.12	1692.26
Trade Receivables	17054.90	15829.10	18894.30
Cash and Cash Equivalents	930.91	742.93	482.25
Bank Balances other than above	109.54	42.51	40.75
Loans - Current	86.17	139.84	119.45

43. ACCOUNTING CLASSIFICATIONS AND FAIR VALUES. *(Contd.)*

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Other Current Assets	3233.87	4493.45	5674.38
Total	**23552.98**	**23362.96**	**27251.05**
Financial assets at fair value through profit and loss:			
Derivative - current - Level 2	0.03	-	-
Total Financial Assets	**23553.01**	**23362.96**	**27251.05**
Financial liabilities at amortised cost:			
Borrowings - Non-current	8075.00	9688.88	14743.53
Other Financial Liabilities - Non-current	229.75	181.16	195.86
Borrowings - Current	12960.44	16095.82	17975.87
Trade Payables	15761.88	12905.43	13455.29
Other Financial Liabilities - Current	4140.35	4140.11	10005.64
Other Current Liabilities	1576.19	2610.93	2570.48
Total	**42743.61**	**45622.34**	**58946.67**
Financial Liabilities at fair value through profit and loss:			
Derivative - current - Level 2	-	85.98	5.06
Total Financial Liabilities	**42743.61**	**45708.32**	**58951.73**

44. 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, 2018	As at 31st March, 2017
i.	Principal amount remaining unpaid to any supplier at the end of accounting year (including retention money against performance).	85.85	-
ii.	Interest due on above	-	-
Total of (i) & (ii)		**85.85**	**-**
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 to the Consolidated Financial Statements for the year ended 31st March 2018

45. DISTRIBUTION MADE AND PROPOSED DIVIDEND

₹ in Lacs

	As at 31st March, 2018	As at 31st March, 2017
Cash dividend on equity shares declared and paid		
Final dividend for the year ended on 31 March 2017:		
₹ 1.50 per share (31 March 2016: ₹ 1.00)	362.05	241.36
Dividend distribution tax on final dividend	73.70	49.14
Total dividend paid	**435.75**	**290.50**
Proposed dividend on Equity shares		
Final dividend for the year ended on 31 March 2018:		
₹ 2.50 per share (31 March 2017: ₹ 1.50)	603.41	362.05
Dividend distribution tax on final dividend	124.03	73.70
Total dividend proposed	**727.44**	**435.75**

46. INFORMATION REGARDING SPECIFIED BANK NOTES (SBN):

During the year ended 31 March 2017, the Holding Company had specified bank notes or other denomination notes as defined in the MCA notification G.S.R.308 (E) dated 31 March 2017 on the details of Specified Bank Notes (SBN), held and transacted during the period from 8 November 2016 to 30 December 2016, the denomination wise SBNs and other notes as per the notification is given below:

₹ in Lacs

	Specified Bank Notes	Other Bank Notes	Total
Closing cash in hand as on 8 November 2016	9.13	5.96	15.09
Add: Permitted receipts	-	16.56	16.56
Less: Permitted payments	-	14.72	14.72
Less: Amount deposited in banks	9.13	-	9.13
Closing cash in hand as on 30 December 2016	-	7.80	7.80

** For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.*

47. Balances under Trade receivables, Trade Payables, Loans and Advances payable or receivable are subject to confirmation to be received from some of the parties.

48. The figures for the previous period are re-classified/ re-arranged / re -grouped, wherever necessary so as to be in conformity with the figures of the current period's classification/disclosure.

As per our annexed report of even date.
For **D. DHANDARIA & COMPANY**
Chartered Accountants
ICAI Firm Reg. No. 306147E

(Dindayal Dhandaria)
Partner
Membership No. 010928

Place of Signature : New Delhi
Dated : 28th May, 2018

For and on behalf of Board of Directors of
Greenlam Industries Limited
CIN: L21016AS2013PLC011624

Saurabh Mittal
Managing Director and CEO
(DIN : 00273917)

Shiv Prakash Mittal
Non Executive Chairman
(DIN : 00237242)

Ashok Kumar Sharma
Chief Financial Officer

Prakash Kumar Biswal
Company Secretary & AVP - Legal

NOTES

Caution regarding forward-looking statements

This document contains statements about expected future events and financial and operating results of Greenlam Industries Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Greenlam Industries Limited annual report 2017-18.

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