



## ARCHIDPLY INDUSTRIES LTD.

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01.09.2023

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

**Scrip Code – 532994**

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

**NSE Stock Code – Archidply**

Dear Sir,

**Subject: Submission of Annual Report of the Company for the financial year 2022-23.**

Pursuant to Regulation 34 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the Notice of 28th Annual General Meeting along with Annual Report of the Company for financial year 2022-23.

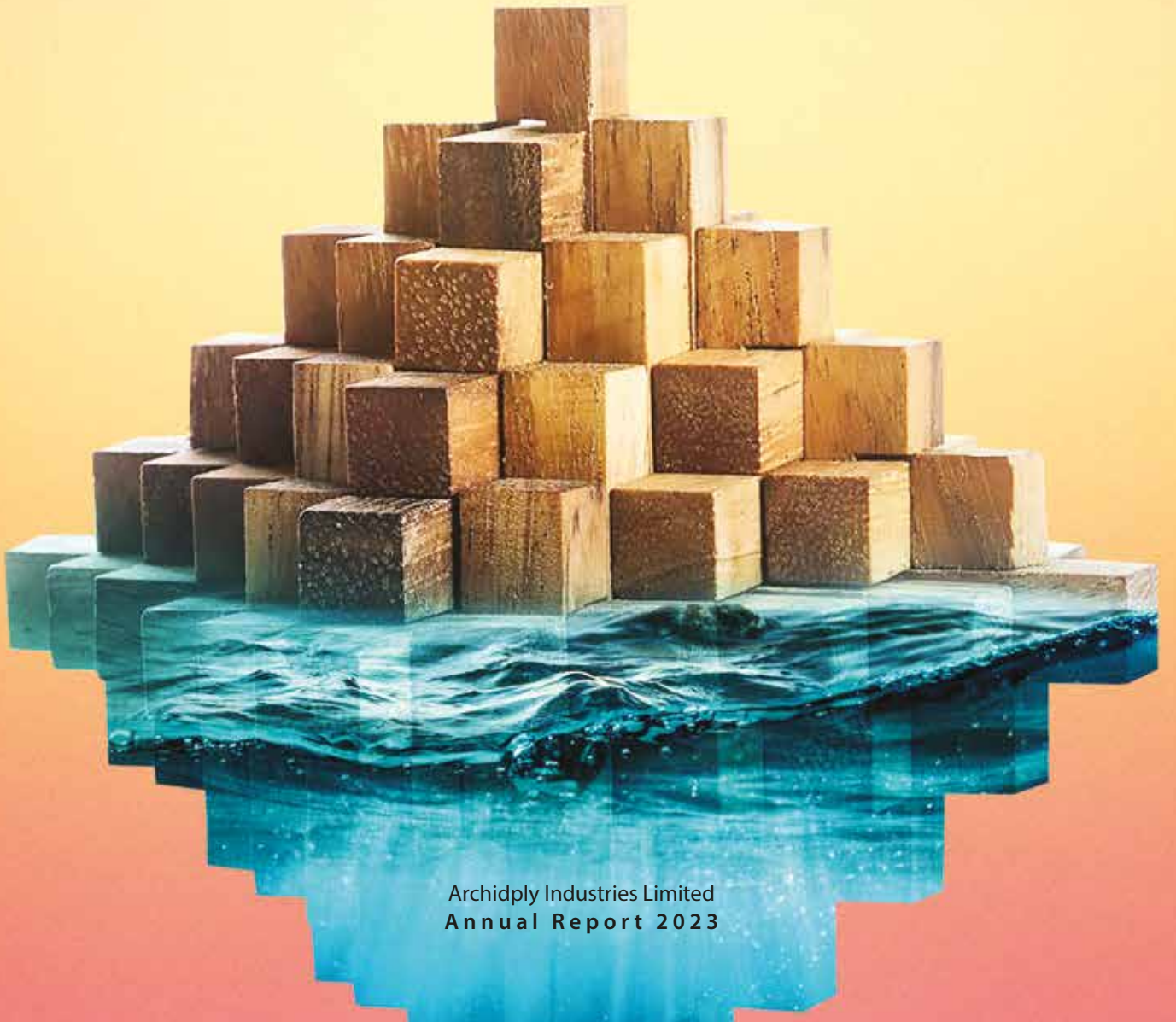
The Annual Report for the financial year 2022-23 is also being made available on the website of the Company at [www.archidply.com](http://www.archidply.com).

We request to kindly take the same on record.

Thanking You!  
For **Archidply Industries Limited**

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

Encl: as above



Archidply Industries Limited  
Annual Report 2023

# DRIVING GROWTH



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**“GROWTH IS  
NEVER BY MERE  
CHANCE; IT  
IS THE RESULT  
OF FORCES  
WORKING  
TOGETHER.”**

*James Cash Penney*

At Archidply, our business growth has happened through years of patient perseverance in creating an array of diverse products and solutions, building brand awareness and providing a compelling value-proposition to our customers.

As we move forward, we are adding an critical growth lever which will give our customers’ one more reason to choose us as their interior designing partner. And drive our growth.

# STATEMENT FROM THE CHAIRMAN



**DEAR SHAREHOLDERS,**

It is a pleasure to communicate my thoughts through this narrative as your Company posted a satisfying performance despite the multi-dimensional global challenges that cast a shadow on India's progress.

Notwithstanding prevailing volatility, our resilient nation deftly maneuvered through the maze to register solid economic progress that buoyed corporate India's sentiments and the ordinary person on the street.

Moreover, the real estate also rebounded well, with all segments within this vast space reporting appreciable growth. These realities provided tailwinds to the Company's performance. The improvement in profitability parameters was particularly heartening as it happened in a period of elevated inflation and rising interest rates. It adds a credibility watermark to our business model and strategies. As we step into the current year, we hope to sustain our momentum, which will help us create significant value for all our stakeholders.

**Into the future**

India is the beacon of economic hope for the world. While the Western world strives to battle recessionary conditions, India is marching ahead to strengthen its position in the global economic pecking order. The Government is leaving no stone unturned to establish India as a global manufacturing hub. Its policies are alluring global conglomerates to set shop in our country.

As the trend gains momentum over the coming years, I am optimistic that it will usher in considerable positivity for the real estate and our business space over the medium-term.

India's demographic dividend is another important positive that should

contribute to a more promising outlook for our sector and business.

1) India's more than 1.4 billion people, with an average age of 29, has one of the youngest populations globally. With this youth force stepping into the workforce, it will create a 'demographic dividend' to spur demand across sectors.

**INDIA IS THE BEACON OF ECONOMIC HOPE FOR THE WORLD. WHILE THE WESTERN WORLD STRIVES TO BATTLE RECESSIONARY CONDITIONS, INDIA IS MARCHING AHEAD TO STRENGTHEN ITS POSITION IN THE GLOBAL ECONOMIC PECKING ORDER.”**

2) India's middle-class will continue to grow. According to the estimate of People Research on India's Consumer Economy (PRICE), the share of the middle class with an annual household income in excess of ₹5-30 lakh has more than doubled from 14% in FY05 to 31% in FY21. It is projected to rise to 63% by FY47.

**Our plan for tomorrow**

Over the years, the entire Archidply parivaar has persevered to build a strong base for our plywood and laminate verticals. We have created new

products that have gained considerable traction among opinion-influencers and decision-makers. It is reflected in our growing business volumes and increasing topline.

Having established our brand in the minds of discerning customers, we have planned to add a critical business level that promises to transition the organisation into the next level of growth.

We are foraying into the high-potential MDF Boards business under our Wholly Owned Subsidiary (WOS), with a capacity of 250 CBM per day greenfield facility at Sitarganj, Uttarakhand. This strategic initiative marks a significant milestone in our journey to become a future-ready organisation.

Alongside, we will continue to invest in augmenting our capacities and capabilities, drive product innovation and process improvement with equal zeal and accelerate our digital outreach efforts to cement our brands among the new-age consumers – the Indian youth. Moreover, we will work consciously on growing our dealer network to ensure we remain proximate to all consuming markets. Additionally, we will rejuvenate our product basket to ensure we effectively cater to premium and value segments. These prudent strategies will allow us to effectively capitalise on emerging opportunities and sustain our growth momentum well into the future.

Before I sign off, I sincerely thank all our stakeholders for their confidence and support. I am optimistic that we will script an exciting growth journey and unpack promising value for all those who believe in us.

Thank you.

**Deen Dayal Daga**  
Chairman

# STATEMENT FROM THE MANAGING DIRECTOR



**“THE FUTURE HOLDS PROMISING OPPORTUNITIES FOR US, AND WE WILL APPROACH IT WITH CAUTIOUS OPTIMISM. WE ARE COMMITTED TO SEIZING NEW OPPORTUNITIES WITH DETERMINATION.”**

**DEAR FRIENDS,**

Fiscal 2022-23 was an outlier as it tested the business model's robustness and the organisation's resilience to withstand volatility unleashed by geo-political strains. I am pleased to state that we delivered.

Having kickstarted our entrepreneurial journey as a small plywood manufacturing company only recently, we have come a long way to emerge as a respected brand across key markets in India. This is no mean achievement considering the competitive intensity in our business space.

We have keenly focused on strengthening our relations with our 2,000+ business partners, which has facilitated in sustaining our growth. Their unwavering support gives us the confidence to undertake strategic initiatives to accelerate business growth – theirs and ours.

Furthermore, our efforts in strengthening our Balance Sheet have put us in a sweet spot to deploy our cash flow into new high-growth, high-value areas that complement our existing verticals perfectly.

We have forayed into Medium-density fiberboard (MDF) and are setting up a greenfield unit to manufacture this engineered wood panel. Our unit should commence operations in FY24.

Why are we entering the MDF space?

The use of MDF is increasingly finding market acceptance over plywood globally, driven by cost factors and environmental concerns. Globally, the MDF to plywood consumption ratio is 80:20, but in India, the consumption ratio is 20:80.

The Indian scenario is about to undergo a structural shift. As per estimates, this ratio in India will improve to 50:50 by 2030. One of the key drivers of this transformation is the work-from-home culture, which continues even as the pandemic has ended for its convenience and cost parameters, which it offers corporates. According to industry experts, the Indian work-from-home furniture market was US\$ 2.22 billion in FY2021 and is expected to be US\$ 3.49 billion by FY2026, generating higher demand for MDF.

Moreover, with Gen-Z entering the workforce and disposable income

scaling north with India's sustained economic progress, the renovation market will spur demand for MDF.

Considering the potential the product offers, our innovation and manufacturing capabilities and our entrenched and expansive dealer base, we hope to make a good beginning. Over the medium-term, I see this vertical substantially contribute to the Company's growth and profitability.

In closing

The future holds promising opportunities for us, and we will approach it with cautious optimism. We are committed to seizing new opportunities with determination. I am sincerely grateful for the support we have received thus far, which we believe will continue to propel us forward.

With warm regards,

**Rajiv Daga**  
*Managing Director & CEO*





About Us

**ARCHIDPLY  
INDUSTRIES LTD  
SPECIALISES IN THE  
MANUFACTURING  
OF PLYWOOD,  
LAMINATE AND  
OTHER ALLIED  
PRODUCTS.**



Starting from Assam, Archidply Industries Limited (Archidply Group) came into existence in 1976; the Company has its corporate office in New Delhi, India.

The Company's state-of-the-art manufacturing facilities in Uttarakhand manufactures a wide range of products, including plywood, laminate, doors, high-pressure laminate (HPL) cladding, and other products catering to domestic and international customers.

Archidply has a well-coordinated distribution network with more than 2,000 dealers that caters to its retail network in more than 27 states across India; the Company enjoys a global presence in more than 20 nations worldwide.

Archidply is headed by its founder-Chairman Mr. Deen Dayal Daga. He possesses extraordinary experience in plywood & wood products. He has received several awards for his entrepreneurial skill and contribution towards the nation's economic development.

The Company's sharp focus on stringent quality control has been trend-setting. The Company recently introduced a new range of eco-friendly panel products that have gained significant traction. Archidply received the Industry Trend Setter Power Brand in India award.

Archidply's equity is listed on the BSE Limited and The National Stock Exchange of India Limited.

**5**

Product categories

**28**

Products

**42,174.92**

Revenue from Operations  
(consolidated) (₹ Lakhs)

**1,654.69**

EBITDA (consolidated)  
(₹ Lakhs)

**1,225.13**

Net Profit (consolidated)  
(₹ Lakhs)

**10,381.07**

Networth (consolidated)  
(₹ Lakhs)

**18,636.52**

Capital Employed  
(consolidated) (₹ Lakhs)

**10,151.01**

Market Capitalisation – BSE  
as on March 31, 2023  
(₹ Lakhs)

# OUR JOURNEY

**1976**

Starting as Assam Timber Products, the Company was primarily into the business of tea chests and saw timbers

**1990**

Conception of Bordhumusa Tea Estates Pvt. Ltd

**1999**

Our Chairman was awarded Swatantra Swarna Jayanti Udyog Vibhushan for contributing to the nation's economic development.

**2006**

Formation of Uttarakhand facility to manufacture a comprehensive range of panel products such as plywood, laminates, densified film-faced plywood, decorative laminates, pre-laminated particle boards, and many more.

**1982**

The Chairman of our Company was honoured with the prestigious Udyog Patra award, which increased our Company's credibility and motivated our employees immensely.

**1995**

The takeover of The Mysore Chipboard Ltd after which it saw a steep rise in its success rate.

**2000**

Established Shree Shyam Tea Pvt Ltd, a tea manufacturing, and refining unit of Archidply Group.

**2007**

TVC was launched based on Healthy Breathing about Low Formaldehyde Emissions in Plywood.

Eco-mark was issued by the Bureau of Indian Standards (BIS) as a certification mark for ecologically safe products.

## 2008

Listed in BSE and NSE as Archidply Industries Ltd.

Beginning of Karnataka Facility to Manufacture Veneers & Pre-Lam.

## 2017

Implementation of SAP S/4 HANA ERP

## 2020

The demerger of the Company took place, and Archidply Décor got listed in the NSE and BSE

## 2022

The Company has incorporated wholly owned subsidiary in the name of "Archidpanel Industries Private Limited (AIPL)". AIPL is in the process of setting up greenfield project for manufacturing Medium Density Fiberboard and allied products at Sitargunj, Uttarakhand of which commercial production is expected in FY24.

## 2015

Started business with foreign countries through exports.

## 2019

The Company was shortlisted from a list of 15000+ Indian brands under 40 different categories and was awarded the Power Brand Status.

## 2021

Buy Back of 22 Lakh Equity Shares, which constitute 9.97 % of total Equity.

# OUR COMPETITIVE MOAT

## Legacy

We have been in the business for more than four decades. Our long journey has provided us with in-depth knowledge of the broad and finer nuances of the business. This intellectual capital allows us to contour our business strategies more accurately.

## Large and growing product basket

We have an extensive product basket comprising more than [1000] SKUs. Moreover, our focused R&D investments enable us to rejuvenate our product basket with new and customer-relevant SKUs. It allows us to grow our attract customers and grow the business of our dealers and retailers.

## Eco-friendly Products

Today's customers seek personalisation, and young Indians are becoming more environmentally conscious. Our innovative, diversified product portfolio is customised to cater to that needs. These products are "Green guard" certified, which ensures that the product is tested and evaluated to meet stringent chemical emission limits. Moreover, our products are specially designed so that they are not easily affected by termites, borer, fire, and water.

## Balanced revenue model

We have been trying to create a balanced revenue model. From a product perspective, we have multiple product verticals which contribute to business progress. From a geographic standpoint, our presence in the domestic and international markets de-risk the business from adverse economic cycles.

## Strong Management Team

Our competent and experienced management team ensures that our business keeps going in the right direction. Our business credibility comes with the strategies devised by the management team that helps us effectively assist our clients while maintaining a growing topline and increasing profitability.

## Stringent Quality Control

We put particular emphasis on the quality of our manufactured products. This quality journey starts from the procurement stage, where we acquire raw materials from only highly reliable partners. Also, the products are tested in every production stage, ensuring only the best quality materials reach the market. Moreover, all our products are certified by various global standards.

## Strong Brand Value

The strength of our brand puts us in a leading position in the Indian plywood market. We consistently invest in brand awareness initiatives to ensure that we cement the Archidply brand in the minds of discerning customers. Our efforts have yielded results – our customer base and sales volume have increased appreciably.



The visible impact of our competitive moat

**33.37%**

Plywood (CBM) sales volume  
(3-yr CAGR)

**13.68%**

Laminate (sheet) sales volume  
(3-yr CAGR)

**35.17%**

Revenue from operations  
(3-yr CAGR)

**38.91%**

EBITDA  
(3-yr CAGR)

**133%**

Profit after Tax  
(3-yr CAGR)



# OUR PRODUCT VERTICALS



## PRODUCT VERTICAL-1

# PLYWOOD

**Overview:** This business vertical is the key revenue spinner and growth driver for the Company. The Company's products are divided into four categories namely Archidply, Monarchply, Ojas and Silvi.

Archidply offers best quality of commercial & boiled waterproof grade plywood. The Company's Laminated Doors are well recognised among the architects & contractors. Its wood panel product is used for interior and exterior furnishing.

11

Product variants

49%

Growth in revenue over FY22

₹25,375.20 LAKHS

Revenue in FY23

61%

Contribution to total revenue



### Certification



### What sets us apart

**1**

**Our plywood is manufactured using state-of-the-art technology**

Spindle peeling machine for timber enables the core veneer's accurate thickness.

Taiwanese Make auto-composed core machines enable reduced core veneer gaps in the plywood and eliminate manual assembly.

Pre-press technology ensures the strong bonding of core veneer with the resins.

Taiwanese Make Calibration Sanding machines to provide accurate thickness to the finished product.

**2**

**Our plywood is healthy**

Archidply has invested heavily in Research and Development activities. This prudent investment pioneered India's first Low Formaldehyde emission plywood in 2008. Archidply products are specially treated to reduce levels of Formaldehyde Emission, making your home and office safe.

**3**

**Quality is our passion.**

Quality has always been the defining factor for the Company. Archidply emphasises quality across the manufacturing process with multi-level checks by its strong quality team.

**4**

**Termite & Borer Free, Water & Fire Retardant**

Archidply uses special chemicals that eliminate the development of termites & borers on the product.

**5**

**We have a pan-India footprint.**

Archidply has, over the years, established a presence in 27 states in India. These markets are serviced by its 20 Sales Offices, 2,000 Retailers and seven warehouses.





**PRODUCT VERTICAL-2**

# LAMINATES

**Overview:** The Company produces entire range of high-pressure laminates under the brands of Archidlam/ Monarchlam/ Archidstar. Apart from the all kinds of decorative laminates for furnishing in residential and commercial spaces, company also manufactures industrial laminates, compact laminates, exterior grade laminates.

The exterior grade laminates (Externo) is very well recognised in the market.

We adhere to the latest trends and technology. We use imported papers and textures from Europe which are incredibly premium and luxurious and give a very natural feel to the product. We are now exporting to 20 countries across the world!

**1000**

Designs

**50**

Textures

**10**

Value Added Products

**₹15,647.38 LAKHS**

Revenue in FY23

**16.78%**

Growth in revenue over FY22

**37.28%**

Contribution to total revenue



### Certification



### What sets us apart

**1**

**We have deployed the latest technology**

3 HPL presses have an automated Monitoring System of Press for uniform temperature control, which ensures perfect resin bonding with the paper.

The High-Speed Impregnator ensures the least wastage and uniform resin impregnation on the Kraft paper.

The Swiss Make Sanding machine press ensures uniform sanding resulting in proper laminate bonding with the substrate.

**2**

**We offer a range of value-added products**

ARCHIDLAM stands tall with its guiding philosophies, innovative technologies and creative solutions. We provide unique products that are aesthetically appealing and functional, including Antibacterial laminates, namely Chalkboard Laminate, Marker Board Laminate, Switch Board Laminate.

**3**

**Our wooden range resembles Real Wood.**

The finesse of our wooden range resembles actual wood showing the natural veins and crowns and minute grains like an actual bark of a tree. It has a very sophisticated look and feel and can be used in Hotel lobbies, Living rooms, Conference rooms, Retail showrooms and Multiplexes.

**4**

**We offer a germ-free & sanitised range.**

We offer a germ-free, sanitised range of laminates that can be used without hesitation in sterile environments like hospitals, nurseries, kids' rooms, kitchens, etc., making the place an antibacterial space.

**5**

**Our product is certified for being Environment Friendly.**

We are now the recipient of the prestigious "GREENGUARD Certification. This certification ensures that a product has met some of the world's most rigorous and comprehensive standards for low emissions of volatile organic compounds (VOCs) into indoor air.

# SOME HAPPY CUSTOMERS



We, Abacus Technocrats Pvt Ltd, have been working as a PMC for large-scale projects, which includes healthcare facility, corporate buildings, the tourism Sector, IT Parks, and various category housing projects. We have been recommending "Archidply" Products, mainly Plywood, Laminates, flush doors and other products. We suggest Archidply products as Eco-friendly products, which have been useful for Green building projects.

**Mr. Hriday Dalal**

*Director*

Abacus Technocrats Pvt Ltd



The aesthetics of the hospital facility can be perfectly accentuated by the seamless integration of Archidply Laminates and Plywood. From their wide range of products which are technically brilliant, Archidply stands well in offering a lustrous look and feel to the overall ambience of the healthcare facility. Long-lasting durability and adaptive customisation with just-in-time service are the key assets of the Company. I would like to strongly recommend Archidply at all possible opportunities and wish them the best of luck for all their current prestigious projects and future endeavours!

**Mr. Vishal Mourya**

*Asst. Manager*

Interior Design (Healthcare  
Interior Designer & Planner)  
Hosmac India Pvt. Ltd.  
Mumbai



From their wide variety of products to their unmatched quality, Archidply has bowled us over several times with their flawless services. We can vouch for them with our eyes closed as they have always outdone themselves in every contract.

**Mr. BBL Gupta**

*Chief General Manager*

Suresh Goel Associates



We have been involved in large-scale projects like PSUs and Education campuses, schools and colleges. We have been using Archidply products which includes their boards, ply, laminate, veneers, and off late their WPC. I must congratulate them that their product is exceptional. My best wishes to the management and the entire team of Archidply.

**Mrinal Behl**

*Concept Planners*

Architectural Firm in  
New Delhi



Working with Archidply is always a delight. They have various products designed to cater to the different needs of a project. Moreover, they have a very sound technical support team who is always up for the challenge. They have supported us in creating various unique solutions for many of our big corporate projects.

**Mr. Sahil Chopra**  
*Head Procurement*  
 Ultraconfidentiel



Our association with Archidply has been for a very long time. We cherish our business and personal bonding with their marketing teams and senior management due to their commitment towards work, fulfilling our requirements of materials on our sites in Pan India.

**Mr. Manish Gupta**  
*Director*  
 The Grid Architects



It's a pleasure to work with the Archidply team, who know the meaning of efficiency. I am privileged to get this opportunity to really appreciate the quality and the services that the Company provides. Most of the time, I have highly recommended Archidply products for our most prestigious projects like AIIMS, IIM and other Five Star Hotels etc. Since their products are of superior quality, they are durable and long-lasting. I am very grateful to your team for always responding promptly to all our queries and requirements. I would love to continue the association with this esteemed organisation as I have full trust in their capabilities to come up with the latest trends in panel products as per the futuristic requirements.

**Mr. Bhupendar Prabhakar**  
*Associate Director*  
 Arcop Associate



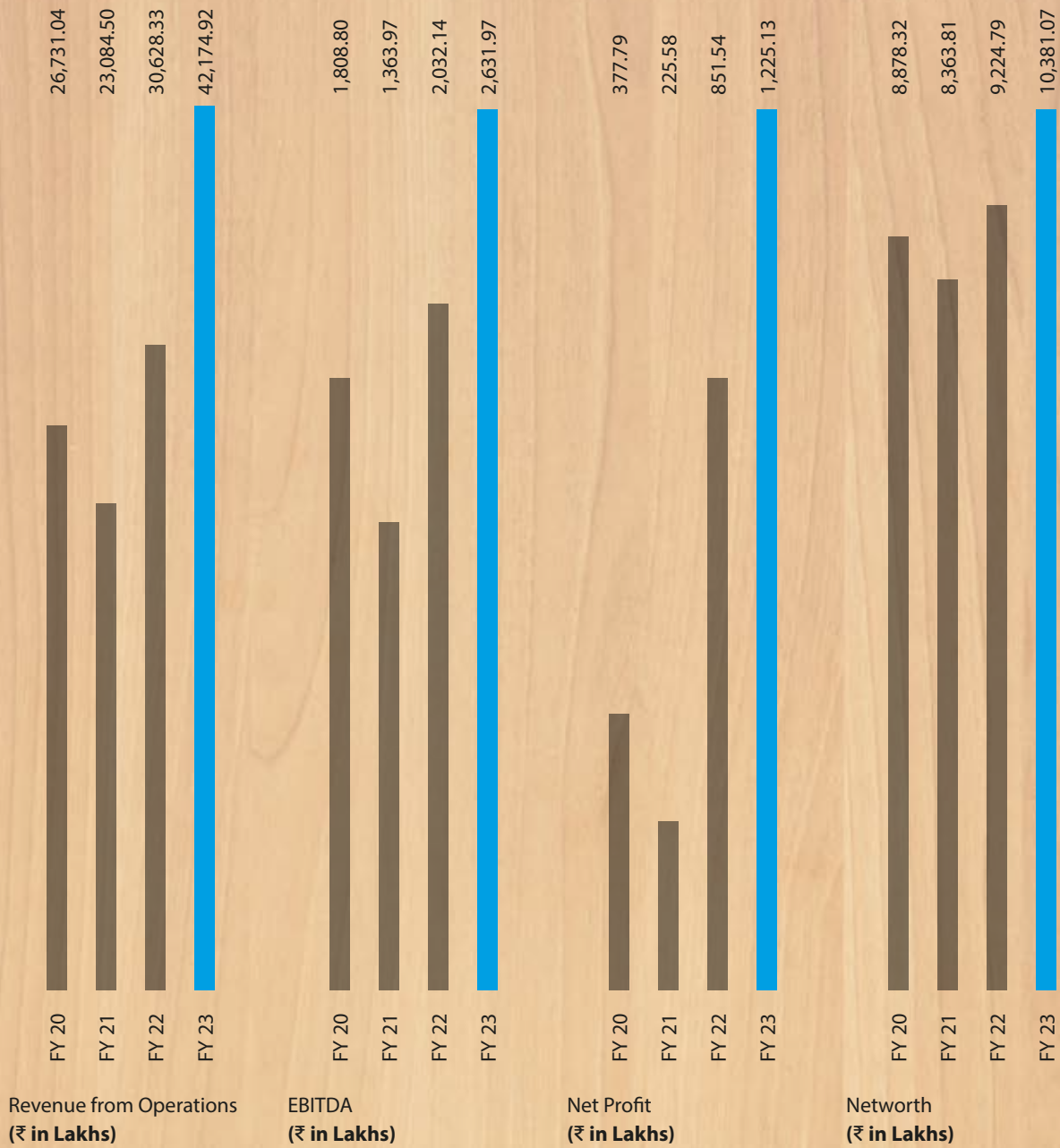
We have been associated with Archidply for a long time since they have an entire product range, and the products' quality is excellent. Products are approved for green buildings, a variety of products to suit all kinds of requirements, a wide range of designs in laminates etc. moreover their services are also excellent.

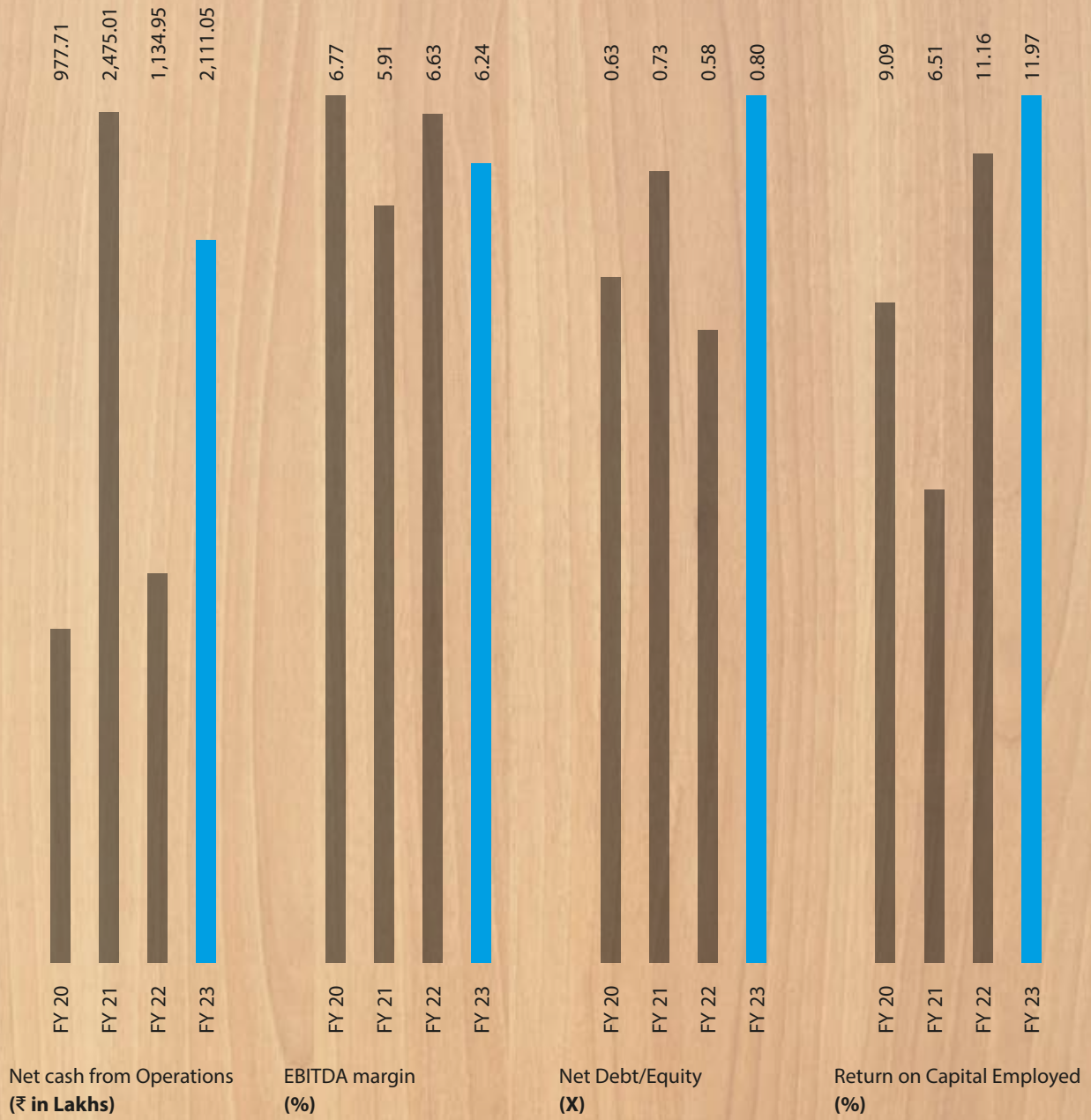
Now they have introduced WPC products also!

We are satisfied with their products.

**Mr. Ajuvindra Singh**  
*Product-Manager,*  
 Faquih & Associates India,  
 Mumbai

# KEY PERFORMANCE INDICATORS





# OUR EMINENT BOARD



**Mr. Deen Dayal Daga**  
*Chairman*

After procuring a law degree, his entrepreneurial spirit led him to establish a Plywood manufacturing unit in Assam in 1976. During the four decades under his guidance, the Company has established manufacturing facilities in Assam, Uttarakhand & Karnataka, for manufacturing Plywood, Laminates, Veneers and Pre-lam.

He also diversified the business into Tea Manufacturing and Tea plantation. He was elected to take the position of The President of Assam Plywood Manufacturers in 1995-1996.

His lifetime achievements are finely regarded below: – Udyogapatra Award (1982) for being a Self-made Industrialist awarded by the Vice President of India – Swatantra Swarna Jayanti Udyog Vibhushan Award (1999) as an appreciation for his significant contribution to Nation's Economic Development.



**Mr. Rajiv Daga**  
*Managing Director & CEO*

After receiving a bachelor's degree in Industrial Engineering and an Economics degree from Purdue University in the United States, Mr. Rajiv Daga gained experience in Supply Chain Management consultancy at a Software firm Manhattan Associates, based out of Atlanta.

After a stint of three years, he decided to return to India to join Archidply Industries Ltd in the year 2003. His first responsibilities included the management of Factory operations at the Company's Karnataka facility, which he managed successfully for seven years.

Subsequently, he was responsible for looking after the Company's latest facility at Uttarakhand as Business Head under the capacity of Joint Managing Director. He was instrumental in doubling the Rudrapur unit's capacity within three years and achieved 100% capacity utilisation. Today the facility is the largest facility of the Company.

He successfully implemented SAP ERP and was instrumental in getting the "Power Brand" award in 2017 for Archidply. Over the last five years, he has successfully developed the Laminate Export Business in 20 countries. In 2018 he was appointed Managing Director of the Company and is responsible for taking the Company forward.



**Mr. Shyam Daga**  
*Director*

Being a commerce graduate from St. Xavier's Kolkata University, Mr. Shyam Daga joined the Company in 1996 and has been instrumental in growing the Company from a single Manufacturing Facility company to now three Manufacturing Facilities.

He first took over the responsibilities of looking after the operations of the Company's acquisition of a Particle Board unit formerly known as The Mysore Chipboards Limited, which was a sick unit at the time of acquisition. He played a significant role in managing its successful turnaround from 1996-2005.

He then went on to set up the Company's Greenfield project at Uttarakhand in the year 2006. Not only did he devise the strategy to make Archidply's maiden public issue in 2008, but he also led the way to set up a separate Greenfield Manufacturing unit at Chintamani, Karnataka.

Currently, he is managing the business of Archidply Decor Limited's manufacturing facility at Chintamani, Karnataka and has other diversified business interests in Face Veneer and Teak Veneer manufacturing in Burma. He also manages a Premium Furniture Showroom in Bangalore in the name of Bon Vivanta



**Mr. Mohammad Shahid Aftab**  
*Independent Director*

Mr. Mohammed Shahid Aftab is serving Archidply Industries Limited as an independent director. He procured a Masters's Degree in Commerce in 1965. He began his professional career by winning the position of Chairman at Geep Industries Limited.

He graduated from Punjab National Bank to work as a General Manager and later Vijaya Bank as an executive director. Utilising his experience and expertise to the extreme,



**Mrs. Shanti Varadaraj Mallar**  
*Independent Director*

Mrs. Varadarah Mallar pursued B.Sc (Hons) in 1970 from Osmania University. Later, she pursued Law at Bangalore University, completed in 1974. She qualified for CAIB in 1986-87 from the Indian Institute of Bankers (IIB).

She worked at Vijaya Bank for over 39 years in its various branches, including Goa, Ahmedabad, Bangalore, and Mangalore. She is skilled at managing specialised and niche bank branches such as Assets Recovery & Corporate Banking branches and maintaining good industrial relations.



**Mr. Pritam Singh**  
*Independent Director*

Having done his Architecture from CRSCE, Murthal Sonipat, Mr. Pritam Singh is an accomplished success-driven leader offering over 23 years of experience in his Professional Career. His expertise lies in offering business, consultancy, business analysis, strategic planning and implementation of Architecture and Interior Designing Projects. He has developed numerous Industries, Corporate Office buildings and Banks. He has played a crucial role in achieving all objectives within the budget. He is registered with the Council of Architecture and Association Indian Institute of Architects and Architecture Integration & Verification





# MANAGEMENT DISCUSSION & ANALYSIS

## GLOBAL ECONOMY

The World economic activity has proven more resilient than expected, considering Russia's war of aggression against Ukraine and the resurgence of COVID-19 in China. Even though these factors weighed on economic growth, the global economy battled these headwinds with a GDP of 3.4%.

The real GDP print was subdued in all the advanced economies, including the United States and the Euro area, except major Asian emerging markets. Households spent more to satisfy pent-up demand, particularly on services, despite heightened inflation, partly by drawing down their stock of savings as economies reopened.

On the supply side, easing bottlenecks and declining transportation costs reduced pressures on input prices and allowed a rebound in previously constrained sectors. Energy markets have adjusted faster than expected to the shock from Russia's invasion of Ukraine.

Despite ongoing supply chain issues and volatile commodity prices, the global manufacturing sector output grew by a healthy 3.8% in 2022. Regionally, growth in Europe has been slow throughout the year, while it was stronger in APAC.

Global trade hit a record high of US\$ 32 trillion in 2022, with trade in goods reaching US\$ 25 trillion, with a growth of 10% over the previous year.

**Outlook:** Moving forward, global growth is projected to fall to 2.8% in 2023, considering the rise in central bank rates to fight inflation, especially in advanced economies and because of the war in Ukraine. But it is likely to go up again in 2024 to 3%. Advanced economies will continue to witness economic downturns, while global headline inflation is set to fall from 8.7% in 2022 to 7% in 2023 on the back of lower commodity prices.

*(Source: IMF, World Economic Outlook, April 2023)*

*(Source: <https://unctad.org/news/global-trade-set-hit-record-32-trillion-2022-outlook-increasingly-gloomy-2023>)*

## INDIAN ECONOMY

India's overall growth remains robust despite the risks that the global economic turmoil has brought to the economy. India's GDP grew by 7.2% in FY23 owing to a broad-based improvement in domestic drivers such as private consumption, public consumption, and a surge in business investments.

The Government emphasised capital expenditure to push economic growth, and it worked. It remained a significant driver for investment as it increased by 63.4% in the first eight months of FY23.

Inflation surged in FY23 as a result of the global geo-political crisis and supply chain issues. With higher food prices, the annual average inflation touched 6.7%. But because of prompt action by the RBI, inflation showed signs of moderation by the end of the last fiscal.

Despite inflation, private consumption expenditure, which comprises 61% of the GDP, grew by an estimated 7.5%

higher than the pre-pandemic 5-year average of 6.9%.

In FY23, Industrial Production in India (IIP) recorded a growth of 5.1% for the entire year. The eight-core sector, which comprises little more than 40% of IIP, stood at 7.6% in the same period. Electricity generation surged 8.9% in FY23 over the corresponding previous year.

India's exports (including merchandise and services) are expected to have increased by 13.84% to a record USD 770.18 billion in 2022-23. In the meantime, the Indian rupee was seen steadily depreciating from 74.50 to 83.25, a fall of more than 11% on a y-o-y basis.

**Outlook:** In FY24, inflation is expected to moderate to 5.1% but will likely stay above RBI's tolerance limit. Like last financial year, the Government of India's increasing capex for infrastructure is anticipated to drive investment growth in this fiscal year as well.

Further, moderation in commodity prices and robust credit growth are expected to support overall growth, which is why India's GDP is projected to be around 6% which is among the fastest in the world.

However, weak global demand, high-interest rates and their impact on household budgets, global recessionary environment, contraction in exports and their impact on employment, and the potential effects of El Nino on crops can negatively impact economic growth.

<https://www.livemint.com/news/india/factory-output-rises-1-10-in-march-grows-by-5-1-in-fy23-11683894387650.html>

<https://thewire.in/economy/eight-core-sector-industries-post-3-6-growth-in-march-slowest-in-five-months#:~:text=The%20growth%20rate%20of%20eight,%25%20recorded%20in%202021%2D22.>

[https://pib.gov.in/PressReleasePage.aspx?PRID=1894932#:~:text=The%20Capital%20Expenditure%20\(Capex\)%20of,January%2DMarch%20quarter%20of%202022.](https://pib.gov.in/PressReleasePage.aspx?PRID=1894932#:~:text=The%20Capital%20Expenditure%20(Capex)%20of,January%2DMarch%20quarter%20of%202022.)

<https://pib.gov.in/PressReleasePage.aspx?PRID=1916220#:~:text=worth%20of%20exports-,Merchandise%20exports%20have%20registered%20highest%20ever%20annual%20exports%20of%20USD,exports%20of%20USD%20422.00%20billion.>

<https://economictimes.indiatimes.com/news/economy/indicators/rural-inflation-higher-in-fy23-heres-the-data/articleshow/99540354.cms>

<https://www.financialexpress.com/economy/india-remains-fastest-growing-economy-economists-hail-indias-resilient-growth-with-fy23-gdp-growth-at-7-2/3110027/>

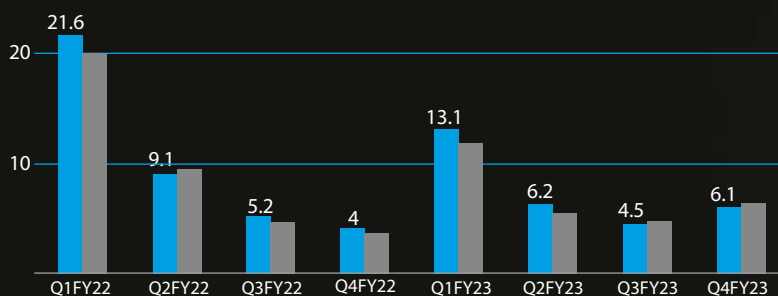
<https://economictimes.indiatimes.com/news/economy/indicators/rural-inflation-higher-in-fy23-heres-the-data/articleshow/99540354.cms>

<https://indianexpress.com/article/business/economy/mpc-meet-rbi-gdp-growth-projection-fy24-inflation-forecast-8651882#:~:text=The%20central%20bank%20also%20lowered,the%20rest%20of%20the%20year.>

### Recovery Continues: GDP Growth: 6.1%; GVA: 6.5%

(In % Y-o-Y)

■ GDP ■ GVA



Source: Bloomberg





## GLOBAL FURNITURE MARKET

Among the significant factors favorably affecting the global furniture market are the burgeoning worldwide population, increased urbanisation, and rising development of both residential and commercial buildings.

Additionally, the demand for lightweight, adaptable, portable furniture with ample storage is rising globally due to the growth of the travel and tourism industries, rising income levels, changing lifestyles, and rising living standards. In addition, the rise in nuclear families is fueling demand for foldable, compact furniture that is simple to set up in confined spaces.

The Asia-Pacific region dominates the global furniture market with a 43% market share, which is attributable to

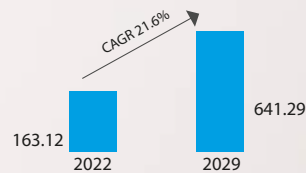
the large number of wood furniture producers in nations like China and India. Other than the common factors, the region's furniture market is growing due to a steady rise in consumer spending power. North America stood second with around 25% market share.

**Growth drivers:** The global furniture market is projected to increase due to the major players in the industry launching their exclusive online platforms and forming alliances with e-commerce platforms to expand their distribution networks.

The rivalry intensified with the arrival of a global furniture giant in the Indian subcontinent, which aided the companies in bolstering their global position.

Additionally, the growing adoption of premium-quality home décor items among the population in countries such as India and Australia further drive the furniture market growth in the region.

### Global Household Furniture and Kitchen Cabinet Market



## GLOBAL MEDIUM-DENSITY FIBERBOARD MARKET

The global medium-density fiberboard market size was valued at USD 39.76 billion in 2022 and is expected to register a compound annual growth rate (CAGR) of 6.9% over the forecast period of 2023-2030.

Regarding regions, the global medium-density fiberboard market can be bifurcated into North America, Europe, Asia Pacific, Latin America, and the Middle East & Africa.

Asia Pacific accounted for a large market share in 2020 and is expected to dominate the market due to the rising construction activities in countries such as India, South Korea, China, and Japan. Among these countries, China is a large consumer of MDF panels due to high product dispersion in the construction and furniture manufacturing industry.

**Growth drivers:** Cost-effective products and the availability of several varieties of application-specific panels are some of the factors that are likely to compel manufacturers to opt for these products in construction and furniture applications.

Further, the demand for MDF products is anticipated to increase due to their superior qualities, including high strength and durability.

## GLOBAL PLYWOOD MARKET

The global plywood market was estimated at US\$ 105.9 billion in 2021 and is projected to reach US\$ 146.7 billion by 2030 at a compound annual growth rate (CAGR) of 6.1% during the forecast period.

Manufacturers operating in the global plywood market focus on developing zero-emission plywood to reduce the environmental impact and increase their market share. For instance, in 2020, one of India's largest interior infrastructure companies launched its first-of-a-kind zero-emission plywood. In an environmentally conscious era, this type of sustainable product creates new growth opportunities in the market.

Asia-Pacific dominates the plywood market due to rising production activities in the region. It is also the fastest-growing market in the world, driven by high economic growth and heavy investments in building & construction, industrial and housing development.

**Growth drivers:** Major plywood market companies are using biodegradable chemicals for plywood preservation to enable long life by protecting the wood from rotting owing to microbial agent attacks and insects. Companies use biodegradable chemicals instead of chromate copper arsenate (CCA),

one of the most widely used wood preservatives.

The presence of extensive forest cover in countries such as China, India, Indonesia and other Southeast Asian countries supports the growth of the plywood market. Additionally, the rise in partnerships and collaborations supports the market and is expected to raise the demand for plywood.

The increased usage of plywood in numerous industrial markets because of its excessive resistance to a wide variety of chemical compounds has provided a thrust to both the global and regional marketplace. Further, it has outstanding fire resistance properties and flexibility and structural strength. It also offers sound and extreme heat insulation. These characteristics make it worthwhile for various industries, including construction, aviation, and marine.

<https://www.globenewswire.com/en/news-release/2023/01/04/2582640/0/en/Global-Plywood-Market-Is-Expected-To-Grow-To-More-Than-146-7-Bn-By-2030-Registering-A-CAGR-of-6-1-During-Forecasted-Time-Period.html>





## GLOBAL LAMINATES MARKET

As per the estimates of IMARC group, the global decorative laminates market size reached US\$ 43.6 Billion in 2022. IMARC Group expects the market to reach US\$ 56.1 Billion by 2028, exhibiting a growth rate (CAGR) of 3.9% from 2023-2028.

There is a rising demand for decorative laminates in hotels, hospitals, shopping malls, airports, educational institutions, and other commercial infrastructures owing to the wide availability of designs, colours, textures and many other factors.

The global laminate flooring market is experiencing steady growth due to growing construction activities across the globe. Asia-pacific displays a clear dominance in the global laminate market accounting for the largest share.

**Growth drivers:** Several refurbishments and re-modeling activities in residential and commercial sectors of the developed regions have further propelled the demand for decorative laminates. Also, the low installation cost and low maintenance cost, as well as a greater preference for decorative laminates over wooden floorings, are boosting the demand.

The rising demand for eco-friendly flooring options due to increasing environmental concerns also provides an impetus to market growth. Further, product innovations in terms of pattern, texture and finishes that imitate various natural materials like stone and wood are also boosting the market.

## INDIAN FURNITURE MARKET

Considering that India is anticipated to become the third-largest economy by 2030, the Government of India has identified the furniture industry as a significant contributor to the "Make in India" initiative.

The Indian furniture market is primarily fragmented with micro and small players or unorganised segments. They account for 80% of the market. The unorganised segment dominates the Indian furniture market as it offers cheaper products than those through the organised segment.

Product customisation availability in the unorganised sector is another factor for the segment's leading market position. However, as per industry experts, new players will accelerate the shift from the unorganised to the organised sector in the next five years.

One of the main reasons for the shift from the unorganised to the organised sector is that furniture shopping is now a virtually enabled buying experience from a purely physical one.

The furniture sector in India is getting rapidly organised off late because the Government of India has widened the

scope of GST. While in the pre-GST era, the rates fluctuated from region to region, the new GST regime has closed the disparity in pricing and procurement of high-quality materials.

As per Businesswire, the Indian furniture market stood at US\$ 17.77 billion in 2020 and is expected to rise to US\$ 37.72 billion by the end of 2026, growing at a double-digit CAGR of 13.37% during 2020-2026.

### Furniture Export

As per the estimates of Invest India, there has been a three-time increase in India's furniture exports in April-January 2022-23 compared to the same period in 2013-14.

The Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) has agreed to modify an existing rule on exporting products made out of Shisham. This change may help improve India's furniture export which has dipped since 2016 following the treaty's introduction of such a provision.

India has recently concluded India-Australia Economic Cooperation and Trade Agreement (ECTA) and India-UAE Comprehensive Economic Partnership Agreement (CEPA), providing zero-duty market access opportunities for India-made furniture to these global markets.



## INDIAN MEDIUM-DENSITY FIBERBOARD MARKET

In India MDF market size is expected to be 2.8 million CBM (₹3000 cores) in 2021 which will grow at a CAGR of 15-20% to ₹6000 crores by 2026. As per industry experts, the MDF: Plywood ratio in India is estimated to improve to 50:50 from the current 20:80 by 2030. This presents a strong growth potential for the MDF industry in India.

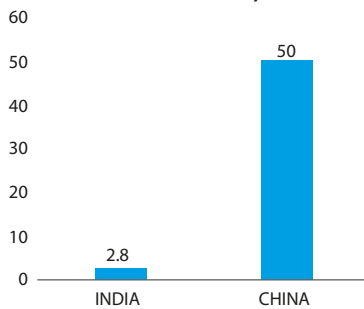
MDF costs significantly lower than plywood while devoid of particle grain and knots in its structure. Owing to these properties, this fiberboard is an

excellent alternative to plywood for application in areas wherein moisture and impact resistance are not the primary requirements.

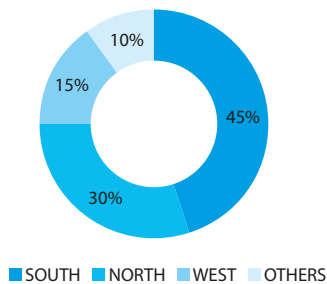
India's furniture industry is changing considerably with the entry of domestic organised and international players. These players are expected to initiate more automation driving higher growth rates for the medium-density fiberboard sector since it is a raw material produced in fully automated plants.

MDF is extensively used in furniture, sports equipment and shoe heels with lower structural defects than plywood, which is produced in a labor-intensive environment. This makes it an ideal replacement for wood.

MDF CONSUMPTION (in million CBM)



REGIONAL DEMAND FOR MDF IN INDIA





## INDIAN PLYWOOD MARKET

As per the estimates of Research and Markets, the Indian plywood market reached a value of ₹243.9 billion in 2021 and is expected to reach ₹344.2 billion by 2027 at a CAGR of 5.97% during 2022-2027.

The growing demand for plywood is increasing due to the growing number of distribution networks and exclusive outlets of premium furniture manufacturers influencing the market positively in India.

Also, the rising integration of technologically advanced production methods to manufacture plywood with improved features, such as flexible plywood, is propelling the market's growth.

In addition, the growing utilisation of plywood for making partitions and false ceilings in houses and office spaces offers a favorable market outlook in the country. Apart from this, the increasing employment of plywood in manufacturing various easy-to-assemble and lightweight furniture contributes to the market's growth.

Moreover, the increasing number of government housing schemes and infrastructural projects, coupled with rising urban settlements in the country, bolsters the market's growth. One of the critical factors that will drive the growth of the plywood industry in India is the Government's focus on affordable housing.

### Opportunities

Supported by Government's affordable housing initiatives, the real estate sector in India is expected to reach US\$ 1 trillion in market size by 2030, up from US\$ 200 billion in 2021, and contribute 13% to the country's GDP by 2025. Retail, hospitality, and commercial real estate are proliferating, providing much-needed infrastructural support for India's growing needs.

With the popularity of online marketplaces and furniture-specific e-commerce platforms, customers are becoming accustomed to purchasing furniture online. This eventually helps companies grow their customer base while navigating the ever-changing consumer landscape.

According to experts, there will be a surge in the online home décor market in the near future. According to a report, the global market for online home

decor was estimated at \$98.4 billion in 2020 amid COVID-19 and is projected to a revised rise of \$348.3 billion by 2027. Many furniture players will be looking into a more extensive integration into the home décor space to tap into the opportunity.

### Challenges

**High raw material cost:** Despite having sufficient availability of tropical and hardwood forests, raw material costs, on average, are more expensive than competing countries. Further, the global supply chain problems and high crude prices are some of the reasons for high input costs in the industry in recent years.

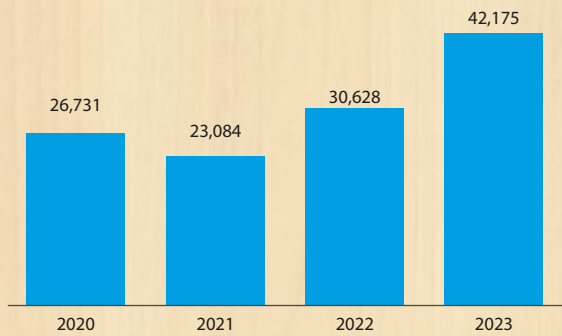
**Lack of high-quality raw materials:** Lack of quality raw materials is one of the challenges faced by the Indian plywood industry. Therefore, the industry must develop an efficient supply chain and procurement strategy.

**Competition from unorganised players:** The organised sector accounts for only 1/3rd of the Indian plywood market. Low-quality non-innovative products typically characterise the unorganised sector. But the formalisation of the economy by introducing GST may help reduce the gap between unorganised and organised segments.

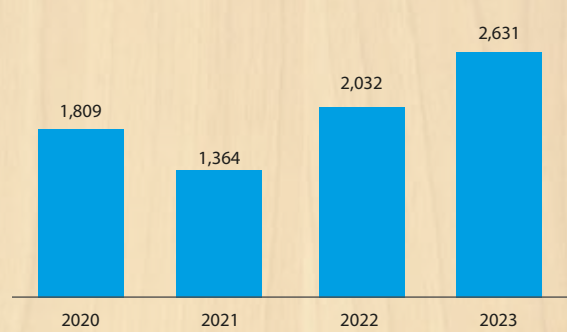
## FINANCIAL PERFORMANCE

The Company reported a stellar performance as the real estate market remained buoyant which accelerated sales volumes. The increased demand resulted in a strong uptick in revenue from operations and was reflected in an appreciable increase in the Company's bottomline.

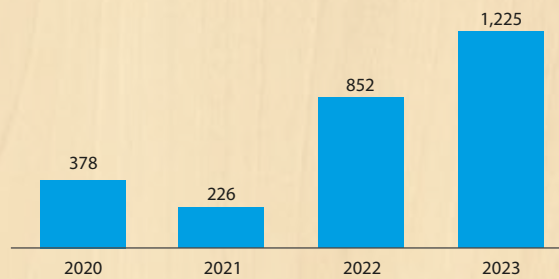
Revenue (₹ in lakhs)



EBITDA (₹ in lakhs)

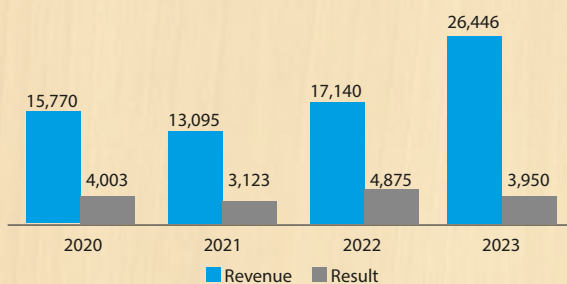


Net Profit (₹ in lakhs)

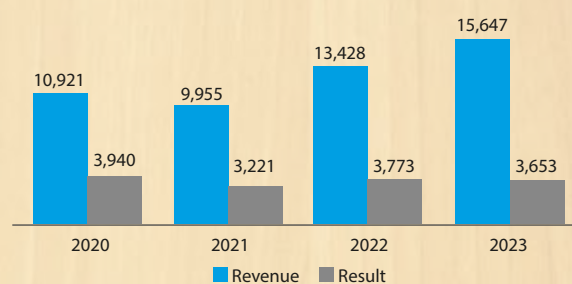


## SEGMENT REPORTING

Wood Based (₹ in lakhs)



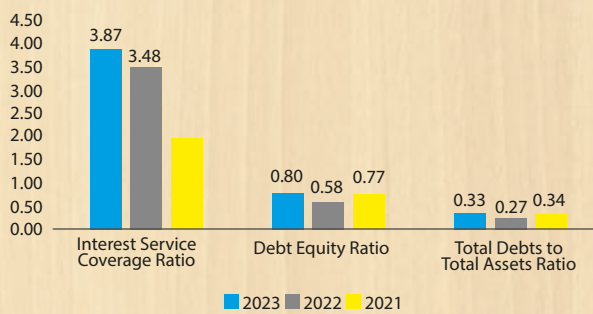
Paper Based (₹ in lakhs)



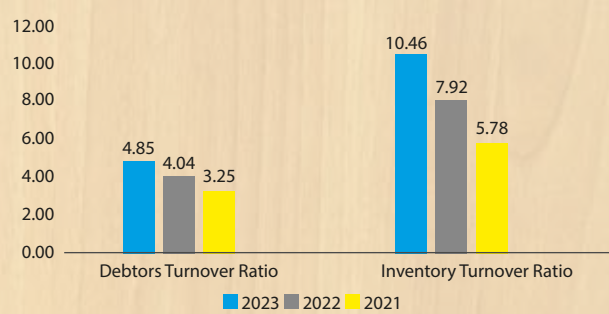


## KEY FINANCIAL RATIOS

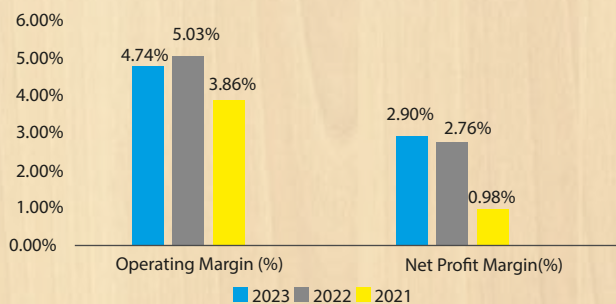
### Debt Profile



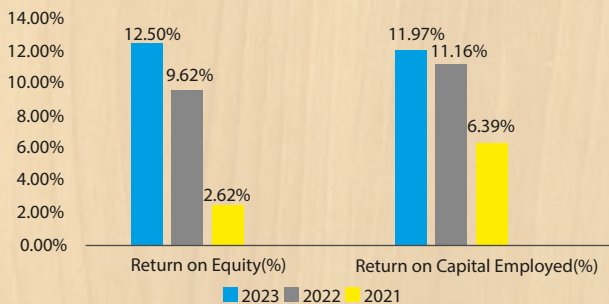
### Working Capital Cycle



### Profitability



### Return on Investment



## INTERNAL CONTROL & ITS ADEQUACY

The guidelines are set by the Board of Directors who are responsible for the internal control system. They verify its adequacy, effectiveness and application thereafter. The Company's internal control system is designed to ensure management efficiency, measurability and verifiability, reliability of accounting and management information, compliance with all applicable laws and regulations, and the protection of the Company's assets. This is to timely identify and manage the Company's operational, compliance-related, economic and financial risks. The Company's internal control systems play an important role and acts as a supplement to the external control systems. Your company has appointed an internal auditor to streamline the system and has adequate internal control systems to maintain accuracy in accounting and financial transactions and comply with rules and regulations. The internal control systems of the Company are monitored and evaluated by internal auditor and their finding & observations are reviewed by the Audit Committee.

### Cautionary Statement

Important factors such as economic developments within the country, demand and supply conditions of the industry, input prices, changes in Government regulations, tax laws and other factors such as litigation and industrial relations, influence the Company's operations. This may lead to the Company's projections and approximate estimates to dispose them as "forward looking statements". Though, these qualitative aspects are usually set in the framework meaning of applicable securities laws and regulations. The actual results may sometimes materially differ from those expressed or implied.

## OUTLOOK

The outlook for the current year appears promising as economic resurgence, improving trend in the real estate sector and growing renovation (consequent to increasing disposable income) suggest healthy growth in business volumes.

## HUMAN RESOURCE

Archidply values its intellectual capital as an essential growth driver for doing business sustainably and profitably. It invests both time and money to develop various programmes that help upgrade its workforce both in terms of skill and capability to address current and future business needs.

The Company is led by a 373 strong workforce as on March 31, 2023 with an effective blend of youthfulness and experience.

During the year under review, the Company organised numerous programmes to upgrade the skillset of its team to align then with the dynamic business requirements. The HR team is now focused on strengthening the leadership pipeline across various verticals.

## RISK MANAGEMENT

At Archidply, our risk strategy is determined by a risk appetite defined for a series of risk criteria. The criteria are based on sectoral circumstances, geo-political issues, liquidity available and our earnings target within accepted volatility limits. These criteria provide a reference for our operating divisions.

Our risk management framework encompasses strategy and operations and seeks to proactively identify, address and mitigate existing and emerging risks. The risk management framework goes far beyond traditional boundaries and seeks to involve all our key managers.

The Company has a robust risk management framework to identify and mitigate risks arising out of internal as well as external factors. There is a formal monitoring process at unit and company level, wherein new risks are identified, categorised as per impact and probability, mapped to key responsibilities of select managers and managed with appropriate mitigation plan.

To ensure transparency and critical assessment, we have a Risk Management Committee that coordinates the risk management system. The risk management framework is reviewed annually by the Audit Committee on behalf of the Board.

# Corporate Information

## Board of Directors:

### Deen Dayal Daga

Chairman

### Rajiv Daga

Managing Director & CEO

### Shyam Daga

Non-Executive Director

### Mohammed Shahid Aftab

Independent Director

### Pritam Singh

Independent Director

### Shanthy Varadaraj Mallar

Independent Director

### Anil Sureka

Chief Financial Officer

### Atul Krishna Pandey

Company Secretary & Compliance Officer

## Registered Office:

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

## Corporate Office:

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

## Auditors:

M/s. GRV & PK Chartered Accountants  
Ganapathi Plaza, #58, 59<sup>th</sup> A Cross Road, 4<sup>th</sup> N Block,  
Rajaji Nagar, Bengaluru 560010  
Ph. No. 080-23120689

## Plant Location:

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

## Registrar Share Transfer Agent:

### KFIN Technologies Limited

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

## Bankers:

### State Bank of India

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

### HDFC Bank

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



# Notice to the AGM

**NOTICE IS HEREBY GIVEN THAT THE TWENTY EIGHTH ANNUAL GENERAL MEETING (AGM) OF ARCHIDPLY INDUSTRIES LIMITED WILL BE HELD ON THURSDAY, 28TH SEPTEMBER, 2023 AT 11.30 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT PLOT NO. 7, SECTOR - 9, INTEGRATED INDUSTRIAL ESTATES, SIDCUL, PANT NAGAR, DIST. UDAM SINGH NAGAR, RUDRAPUR, UTTARAKHAND, 263153 TO TRANSACT THE FOLLOWING BUSINESS:**

## ORDINARY BUSINESS

1. To consider and adopt (a) the audited standalone financial statements of the company for the financial year ended March 31, 2023, together with the reports of the board of directors and auditors thereon; and (b) the audited consolidated financial statements of the company for the financial year ended March 31, 2023, together with the report of the auditors thereon and in this regard, to consider and if thought fit, to pass the following resolutions as **Ordinary Resolutions:**
  - (a) **"RESOLVED THAT** the audited standalone financial statements of the company for the financial year ended March 31, 2023 and the reports of the board of directors and auditors thereon as circulated to the shareholders, be and are hereby considered and adopted."
  - (b) **"RESOLVED THAT** the audited consolidated financial statements of the company for the financial year ended March 31, 2023 and the report of auditors thereon as circulated to the shareholders, be and are hereby considered and adopted."
2. To appoint a Director in place of Mr. Shyam Daga (DIN: 00561803) who retires by rotation as per Section 152(6) of Companies Act 2013 and being eligible offers himself for re-appointment and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** in accordance with the provisions of section 152 and other applicable provisions of the Companies Act, 2013, Mr. Shyam Daga (DIN: 00561803), who retires by rotation at this meeting and being eligible, has offered himself for re-appointment, be and is hereby appointed as a director of the company, liable to retire by rotation."

## SPECIAL BUSINESS:

3. To consider and if thought fit, to pass with or without modification(s) the following resolution as Ordinary Resolution:
 

**"RESOLVED THAT** in partial modification of the Resolution No. 5 passed by the Members at the Twenty-Fifth Annual General Meeting of the Company held on 29<sup>th</sup> September, 2020, for the appointment of Mr. Rajiv Daga (DIN: 01412917) as the "Managing Director and Chief Executive Officer" with effect from 30<sup>th</sup> May, 2020 to 29<sup>th</sup> May, 2025 (hereinafter referred to as the appointee) on the terms and conditions of remuneration mentioned therein and pursuant to the provisions of sections 196, 197 and 198 read with Schedule V and all other provisions of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force] and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions, approval of the Company be accorded to the revision in the terms of remuneration of the appointee by increasing the salary from ₹ 3,20,000/- per month to ₹ 5,00,000/- (Rupees Five Lakh only) per month including all other allowances with annual increment of 10% per year, subject however, to a ceiling of ₹ 8,00,000/- (Rupees Eight Lakhs only) per month with effect from 1<sup>st</sup> October, 2022 upto the remainder tenure of his appointment i.e. 29<sup>th</sup> May, 2025.

**FURTHER RESOLVED THAT** except for the revision in the scale of basic salary and the Performance Pay, all other terms and conditions of appointment and remuneration, as approved earlier by the Members, and which are not dealt with in this Resolution, shall remain unchanged and continue to be effective.

**FURTHER RESOLVED THAT** where in any financial year during the currency of the tenure of the appointee, the Company has no profits or its profits are inadequate, the Company may pay to the appointee, the remuneration as approved by the Members from time to time, as the minimum remuneration by way of salary, perquisites and other allowances, benefits and Performance Pay, subject to receipt of the requisite approvals, if any.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to revise the remuneration and perquisites from time to time so as to be in conformity with the Law, for the time being in force.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution."

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

**Place: Delhi  
Date: 12.08.2023**

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

**Registered Office:**

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

**NOTES:**

1. The Explanatory Statement pursuant to Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with respect to the Ordinary Business as set out in Item No. 2 and pursuant to Section 102 of the Companies Act, 2013, with respect to the Special Businesses as set out in Item No. 3 is annexed hereto. Additional Information, pursuant to Para 1.2.5 of SS-2 ("Secretarial Standard on General Meetings") and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of re-appointment of Mr. Shyam Daga at the 28<sup>th</sup> Annual General Meeting is also annexed hereto.
2. A Member entitled to attend and vote at the Annual General Meeting ("the Meeting/ AGM") is entitled to appoint a proxy to attend and vote on a poll instead of him/her and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, should be deposited, duly completed and signed, at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting. A proxy form is attached herewith.  
  
A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. The proxy holder shall prove his/her identity at the time of attending the Meeting.
4. When a Member appoints a proxy and both the Member and proxy attend the Meeting, the proxy stands automatically revoked.
5. Requisition for inspection of proxies shall be received by the Company in writing from a Member entitled to vote on any resolution at least three days before the commencement of the Meeting.
6. Corporate Members intending to attend the Meeting are required to send to the Company a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Meeting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [rajneeshcs@rediffmail.com](mailto:rajneeshcs@rediffmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. The Register of Member and Share Transfer Books of the Company will remain closed from 22<sup>nd</sup> of September, 2023 to 28<sup>th</sup> of September, 2023 (both days inclusive) in connection with the Annual General Meeting.
9. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.

10. Since, the securities of the Company are traded compulsorily in dematerialized form as per SEBI mandate, Members holding shares in physical form are requested to get their shares dematerialized at the earliest.
11. Electronic copy of the Annual Report 2022-23, Notice of the aforesaid AGM of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the Members whose email IDs are registered with the Company's Registrar & Share Transfer Agent/Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. The physical copies of the Notice of the aforesaid AGM of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent to the registered address of the Members of the Company who have not registered their e-mail address in the permitted mode.
12. In keeping with the Ministry of Corporate Affairs' Green Initiative measures, the Company hereby requests the Members who have not registered their email addresses so far, to register their email addresses for receiving all communication including annual report, notices, circulars etc. from the Company electronically.
13. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules issued thereunder are open for inspection by the Members at the registered office of the Company on all working days, except Saturdays, between 11:00 a.m. to 1:00 p.m. and also at the AGM. Also, the Notice for this 28<sup>th</sup> AGM along with requisite documents and the Annual Report for the financial year 2022-23 shall also be available on the Company's website [www.archidply.com](http://www.archidply.com). Further, the notice received, if any, under Section 160 of the Companies Act, 2013 will be put up on the website of the Company up to the date of the Meeting.
14. In accordance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has engaged the services of CDSL to provide the facility of voting by electronic voting system to all the Members to enable them to cast their votes electronically in respect of all the businesses to be transacted at the aforesaid Meeting. The facility of casting the votes by the Members using such electronic voting system from a place other than venue of the AGM ("remote e-voting") is being provided by CDSL.
15. The facility for voting through Poll/Ballot Paper shall be made available at the AGM and the Members attending the Meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the Meeting through Poll/Ballot Paper. The facility for voting by electronic voting system shall not be made available at the AGM of the Company.
16. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 15<sup>th</sup> September 2023 through email on [cs@archidply.com](mailto:cs@archidply.com). The same will be replied by the Company suitably. Documents referred to in this Notice will be made available for inspection as per applicable statutory requirements.
17. The Company has designated a separate e-mail ID of the grievance redressal division/Compliance officer i.e. 'cs@archidply.com', for the purpose of registering complaints by investors.
18. In accordance with, the General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020 and General Circular No. 2/2021 dated 13<sup>th</sup> January, 2021 issued by MCA, and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s). Members may note that the Notice and Annual Report will also be available on the Company's website <https://www.archidply.com>, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com).
19. The e-voting facility will be available during the following voting period:
  - a. Commencement of remote e-voting: From 10.00 a.m. IST of September 25, 2023.
  - b. End of remote e-voting: Up to 5.00 p.m. IST of September 27, 2023.
20. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. September 21, 2023, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter and the facility will be blocked forthwith.

21. Additional information on directors recommended for appointment / reappointment as required under Regulation 36 of the LODR Regulations and applicable Secretarial Standards:

|  |   |
|--|---|
| <b>Name of Director</b>  | <b>Shyam Daga</b>   |
| <b>Director Identification Number</b>  | 00561803  |
| <b>Date of Birth</b>   | 13.02.1975  |
| <b>Date of First Appointment</b>   | 18.01.2007  |
| <b>Qualification</b>   | Commerce Graduate from St. Xavier's College, Calcutta University  |
| <b>Expertise in specified functional area</b>  | Having 23 years of experience in managing the overall administration, operations Finance & Accounts in the wood panel industry  |
| <b>Shareholding in Archidply Industries Limited</b>  | 573685  |
| <b>List of outside Directorship held excluding Alternate Directorship and Private Companies.</b> | The Mysore Chipboards Limited<br>Shree Shyam Tea Pvt Ltd<br>Archidply Decor Limited   |
| <b>Chairman/ Member of the Committee of the Board of Directors of the Company</b>                | Refer to Report on CORPORATE GOVERNANCE   |
| <b>Last drawn remuneration details along with Remuneration sought to be paid</b>                 | Last drawn remuneration details are given in MGT-9 annexed with Directors Report. Remuneration details for proposed appointment are given in explanatory statement to the respective resolution   |
| <b>Relationship with other Directors and KMP</b>   | Mr. Shyam Daga or any of his relative do not have any pecuniary relationship with the company.<br><br>Mr. Shyam Daga is son of Mr. Deen Dayal Daga, Executive Chairman and brother of Mr. Rajiv daga, Managing Director of the Company. |

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

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

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

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

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

- (i) The voting period begins on 25<sup>th</sup> September, 2023, 10:00 am and ends on 27<sup>th</sup> September, 2023, 05:00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21<sup>st</sup> September, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This

necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

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

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

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

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

|  |   |
|--|---|
| Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b> | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period. |
|--|---|

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

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

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

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

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

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

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

(vi) After entering these details appropriately, click on "SUBMIT" tab.

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

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

**(xvii) Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.**

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

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

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

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

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

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

The Members of the Company at the Twenty-Fifth Annual General Meeting of the Company held on 29<sup>th</sup> September, 2020, had approved the appointment of Mr. Rajiv Daga (DIN: 01412917) as Managing Director and Chief Executive Officer of the Company with effect from 30<sup>th</sup> May, 2020 to 29<sup>th</sup> May, 2025 and the terms and conditions of the remuneration payable to him. The Members at the said meeting had approved basic salary to Mr. Rajiv Daga as Managing Director and Chief Executive Officer of ₹1,50,000/- (Rupees One Lakh fifty thousand only) per month with such annual increment (s) as the Board may decide from time to time, subject however, to a ceiling of ₹2,50,000/- (Rupees Two Lakhs fifty thousand only) per month.

The Board of directors at their meeting held on 07.11.2022, subject to approval of members of the Company, has accorded its approval to revision in the remuneration of Mr. Rajiv Daga, Managing Director & Chief Executive Officer of the Company, as above, for the remaining tenure of Mr. Rajiv Daga. The same was recommended by the Nomination and Remuneration Committee at its meeting held earlier that day to the board for its approval. While approving the revised remuneration of Mr. Rajiv Daga, the Nomination and Remuneration Committee considered various parameters which, inter alia, includes, the scale of operations of the Company and increased involvement of Managing Director for the overall growth of the Company especially in respect of setting up of new manufacturing units, streamlining the production capacities of existing units, exploring new domestic and overseas markets, deeper penetration of existing markets and enhancing brand value through various initiatives etc. with a view to ensure objectivity in determining the remuneration package as well as maintaining a balance between interest of the company and shareholders. The revision in remuneration of Mr. Rajiv Daga was made with the view to make the same commensurate with their efforts given to and involvement in the Company by way of increasing monthly payment so as to maintain a regular distribution of cash flow. The present salary of Mr. Rajiv Daga is ₹3,20,000 per month including Allowances.

The revised salary of Mr. Rajiv Daga, Managing Director & Chief Executive Directors as follows:

Salary: ₹5,00,000/- (Rupees Five Lakh only) per month with annual increment of 10% per year, subject however, to a ceiling of ₹8,00,000/- (Rupees Eight Lakhs only) per month.

Pursuant to provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) and applicable clauses of the Articles of Association of the Company, the above said revision in remuneration requires approval of members of the Company in a general meeting by way of ordinary resolution. Accordingly, the resolutions set out at item nos. 3 of the notice is recommended to be passed as ordinary resolution.

The details of Managing Director whose remuneration is proposed to be revised, is provided below:

|  |  |
|--|--|
| <b>Name of Director</b>  | <b>Rajiv Daga</b>  |
| <b>Director Identification Number</b>  | 01412917   |
| <b>Date of Birth</b>   | 26.04.1978   |
| <b>Date of First Appointment</b>   | 24.12.2004   |
| <b>Qualification</b>   | B.E. (Industrial)  |
| <b>Expertise in specified functional area</b>  | Having 21 years' experience in the marketing, advertisement and production in the wood panel industry  |
| <b>Shareholding in Archidply Industries Limited</b>  | 812500   |
| <b>List of outside Directorship held excluding Alternate Directorship and Private Companies.</b> | The Mysore Chipboards Limited  |
| <b>Chairman/ Member of the Committee of the Board of Directors of the Company</b>                | Refer to Report on CORPORATE GOVERNANCE  |
| <b>Last drawn remuneration details along with Remuneration sought to be paid</b>                 | Last drawn remuneration details are given in MGT-9 annexed with Directors Report. Remuneration details for proposed appointment are given in explanatory statement to the respective resolution  |
| <b>Relationship with other Directors and KMP</b>   | Except for receiving remuneration as a Managing Director Mr. Rajiv Daga or any of his relative do not have any pecuniary relationship with the company.<br><br>Rajiv Daga is a son of Mr. Deen Dayal Daga and brother of Mr. Shyam Daga. |



None of the Directors, Key Managerial Personnel and/ or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolutions at Item Nos. 3 of the accompanying Notice except Mr. Rajiv Daga, since his remuneration is proposed to be revised.

The Board recommends the Resolution set forth at Item No. 3 of the Notice for approval of the members as an Ordinary Resolution.

**By Order of the Board of Directors**

**For ARCHIDPLY INDUSTRIES LIMITED**

**Place: Delhi**

**Date: 12.08.2023**

**Registered Office:**

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

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

# Statutory Reports

# Directors' Report

TO THE MEMBERS OF  
**ARCHIDPLY INDUSTRIES LIMITED**

Your Directors are pleased to present the Twenty Eighth Annual Report together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March 2023.

## FINANCIAL RESULTS

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

(₹In Lakhs)

| Particulars                                     | Standalone      |                 | Consolidated    |                 |
|---|-----------------|-----------------|-----------------|-----------------|
|   | 2022-23         | 2021-22         | 2022-23         | 2021-22         |
| Revenue from Operations                         | 41450.18        | 30628.33        | 42174.92        | 30628.33        |
| Other Income                                    | 224.69          | 89.54           | 232.85          | 89.54           |
| <b>Total Income</b>                             | <b>41674.87</b> | <b>30717.87</b> | <b>42407.77</b> | <b>30717.87</b> |
| Profit Before Financial expenses & Depreciation | 2625.97         | 2033.92         | 2631.97         | 2032.13         |
| Less: Depreciation & Amortization Expenses      | 398.50          | 402.86          | 400.96          | 402.86          |
| Less: Finance Costs                             | 576.32          | 467.58          | 576.32          | 467.58          |
| <b>Profit before tax</b>                        | <b>1651.15</b>  | <b>1163.48</b>  | <b>1654.69</b>  | <b>1161.69</b>  |
| Taxation  | 428.56          | 316.00          | 429.56          | 316.00          |
| <b>Profit after tax</b>                         | <b>1222.59</b>  | <b>847.47</b>   | <b>1225.13</b>  | <b>845.69</b>   |
| Other Comprehensive Income                      | (68.84)         | 15.29           | (68.84)         | 15.29           |
| <b>Total Comprehensive Income</b>               | <b>1153.75</b>  | <b>862.76</b>   | <b>1156.29</b>  | <b>860.97</b>   |

## OPERATIONAL REVIEW:

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

### STANDALONE

The Company's Total Income during the year under review are ₹41450.18 Lakh as compared to ₹30628.33 Lakh in previous year. The Profit after Tax for the year is ₹1222.59 Lakh as compared to ₹847.47 Lakh in previous year.

Net worth increased to ₹10,380.32 Lakh at the end of the year 2023 from ₹9226.56 Lakh at the end of previous year 2022.

The Debt Equity Ratio of the Company has increased to 0.61 times as on 31<sup>st</sup> March, 2023 from 0.58 times as on 31<sup>st</sup> March, 2022.

The Operating profit margin has reduced to 4.83% in FY23 from 5.03% in FY22.

### CONSOLIDATED

The Company's Total Income during the year under review are ₹42174.92 Lakh. The Profit after Tax for the year is ₹1225.13 Lakh.

## EFFECTS OF GLOBAL SUPPLY CHAIN AND LOGISTICS DISRUPTION

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

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

### RESERVES

During the Financial year 2022-23, the Company has proposed no amount transfer to reserves.

### CHANGE IN NATURE OF BUSINESS, IF ANY

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

### DIVIDEND:

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

### SHARE CAPITAL

The paid up equity capital as on March 31, 2023 was ₹19,86,50,000. The Company has not issued shares with differential voting rights nor granted stock options nor sweat equity during the year.

## EXPANSION

During the Year 2022, Company has incorporated wholly owned subsidiary in the name of "Archidpanel Industries Private Limited (AIPL)". AIPL is in the process of setting up greenfield project for manufacturing Medium Density Fiberboard and allied products with an installed capacity of 250 CBM/day at Sitargunj, Uttarakhand of which commercial production is expected by 3<sup>rd</sup> Quarter of FY24.

## SUBSIDIARY COMPANIES, ASSOCIATES & JOINT VENTURES

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

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

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

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

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

## CAPITAL EXPENDITURE

### FINANCE:

Cash and cash equivalents and bank balances other than cash and cash equivalent as at March 31, 2023 was ₹31.41 Lakh and ₹48.18 Lakh respectively. The company continues to focus on judicious management of its working capital, receivables, inventories and other working capital parameters under strict monitoring.

### DEPOSITS:

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

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

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

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

## MATERIAL CHANGE AND COMMITMENT

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

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

## INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the financial year ended March 31, 2023, all the contracts or arrangements or transactions entered into by the Company with the related parties were in the ordinary course of business and on 'arm's length' basis and were in compliance with the applicable provisions of the Companies Act, 2013, read with Regulation 23 of SEBI (LODR), 2015.

In accordance with the requirements of the Companies Act, 2013 and Listing Regulations, 2015, your Company has a Policy on Related-Party Transactions placed on the website of the Company at <https://www.archidply.com>. All related-party transactions are placed before the Audit Committee for review and approval. Prior omnibus approval of the Audit Committee and the Board is obtained for the transactions which are of a foreseen and repetitive nature. A statement giving details of all related-party transactions is placed before the Audit Committee for their noting/approval every quarter. There were no materially significant transactions with related parties (i.e. transactions exceeding 10% of the annual consolidated turnover) during the year as per the last audited financial statements. Accordingly, the disclosure of transactions entered into with related parties pursuant to the provisions of Section 188(1) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts), Rules 2014 in Form AOC-2 is not applicable.

All related-party transactions are mentioned in the notes to the accounts. The Directors draw attention of the members

to the Notes to the financial statements which sets out the disclosure for related-party transactions.

### CREDIT RATING DURING YEAR 2023

CRISIL had reaffirmed the rating of BBB / Stable/ A3+ for the bank loan facilities of Rs 81.90 Crs of Archidply Industries Ltd. on 04 October, 2022.

### CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

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

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

The CSR Policy of the Company is available on the website of the Company at the link: [www.archidply.com](http://www.archidply.com). During the year under review, the Company has spent the entire mandated amount of ₹16.09 Lakh on CSR activities.

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

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

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

### INDUSTRIAL RELATIONS:

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

### DIRECTORS & KEY MANAGERIAL PERSON:

#### DIRECTORS

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

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

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

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

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

### CORPORATE GOVERNANCE REPORT:

Our corporate governance report for FY 2022-23 forms part of this Annual Report. The requisite certificate from the Secretarial Auditor of the Company confirming compliance with the conditions of corporate governance as stipulated under SEBI LODR is annexed to the corporate governance report.

### BOARD EVALUATION

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

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

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

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

### MEETINGS

The board met four times during the financial year 2022-23. For details of meetings of the Board, please refer to the Corporate Governance Report which is a part of this Annual Report.

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

Based on the framework of internal financial controls established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and reviews performed by Management in concurrence with the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2022-23.

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

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis;
- (e) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.
- (f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**FAMILIARISATION PROGRAMME**

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

**CODE OF CONDUCT:**

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

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

**VIGIL MECHANISM**

Your Company has established a "Vigil Mechanism" for its employees and directors, enabling them to report any concerns of unethical behavior, suspected fraud or violation

of the Company's 'Code of Conduct'. To this effect, the Board has adopted a 'Whistle Blower Policy', which is overseen by the Audit Committee. The policy provides safeguards against victimisation of the Whistle Blower. Employees and other stakeholders have direct access to the Chairperson of the Audit Committee for lodging concerns if any, for review. The Whistle Blower Policy of your Company is posted on the website of the Company [www.archidply.com](http://www.archidply.com)

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

The Report given by M/s. GRV & PK, Chartered Accountants (Firm Regn. No. 008099S), Statutory Auditors on the financial statement of the Company for the year 2022-23 is part of Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

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

**2. SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. Rajneesh Sharma & Co, Practicing Company Secretary to undertake the Secretarial Audit of the Company for the financial year ended on 31<sup>st</sup> March, 2023. The Secretarial Audit Report is annexed as Annexure D.

There has been no qualification, reservation, or adverse remark given by the Secretarial Auditors in their Report.

Further, the wholly-owned subsidiary of the Company as mentioned above is not material unlisted subsidiary. Therefore, the provisions regarding the Secretarial Audit as mentioned in Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), 2015 as amended, do not apply to such subsidiary.

**3. INTERNAL AUDITOR**

M/s Girdhari Sharma & Company, Chartered Accountants has been appointed as the Internal Auditor of the Company to carry out internal audit of branches, offices and manufacturing units of the Company. Internal auditors periodically report on the design deficiency and operational inefficiency, if any, apart from recommending further improvement measures, to accomplish the Company' objectives more efficiently. The observations and agreed action plans are presented quarterly, to the Audit Committee that reviews the adequacy of the controls implemented by the Management

The Audit Committee quarterly reviews the Internal Audit reports.

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

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

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

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

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

The Annual Return of the Company as on March 31, 2023 is available on the Company's website and can be accessed at [www.archidply.com](http://www.archidply.com).

### **BUSINESS RISK MANAGEMENT**

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

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

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

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

### **PARTICULARS OF EMPLOYEES**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Particulars of employees remuneration, as required under section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms a part of this report as Annexure

E. Considering first proviso to Section 136(1) of the Companies Act, 2013, the Annual Report, excluding the said information, was sent to the members of the Company and others entitled thereto. The said information is available for inspection at the registered office of the Company during working hours up to the date of ensuing annual general meeting. Any member interested in obtaining such information may write to the Company Secretary in this regard.

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

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

The Company has also framed policy on 'Prevention of Sexual Harassment' at the workplace. We follow a gender-neutral approach in handling complaints of sexual harassment and we are compliant with the law of the land wherever we operate. There was no complaint related to sexual harassment during the Year 2022-2023.

### **COMMITTEES OF THE BOARD**

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

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

### **CEO AND CFO CERTIFICATION**

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

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

The Board of Directors affirms that during the Financial Year 2022-23, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India i.e. SS-1 and SS-2 relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively and approved by the Central Government under Section 118(10) of the Companies Act, 2013. In the preparation of the Financial Statements, the Company has also applied the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015.

**LISTING FEES**

The Equity shares of the Company are listed with Bombay Stock Exchange Ltd. (BSE) & National Stock Exchange of India Limited (NSE). The annual listing fee for the year 2023-24 was paid within the scheduled time to BSE & NSE.

**TRANSFER OF SHARES**

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

**GENERAL**

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

1. Issue of equity shares with differential rights as to dividend, voting or otherwise as per Section 43(a)(ii) of the Companies Act, 2013;
2. The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees;
3. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries;

4. No fraud has been reported by the Auditors to the Audit Committee or the Board;
5. Issue of Shares including Sweat Equity Shares to the employees of the Company under any scheme as per provisions of Section 54(1)(d) of the Companies Act, 2013;
6. No instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Companies Act, 2013.
7. Disclosure of reason for difference between valuation done at the time of taking loan from bank and at the time of one time settlement. There was no instance of onetime settlement with any Bank or Financial Institution.

**ACKNOWLEDGEMENT**

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

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

**Deen Dayal Daga**  
(Chairman)

Place: Delhi

Date: 12<sup>th</sup> August 2023



## Annexure - A to the Boards Report

**FORM NO. AOC.1**

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

**Part "A": Subsidiaries**

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

1. Name of the subsidiary: Archidpanel Industries Private Limited
2. Reporting period for the subsidiary concerned, if different from the holding company's reporting period - NA
3. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries - NA
4. Share capital – ₹1310 Lakh
5. Reserves & surplus – ₹1280.75 Lakh
6. Total assets – ₹5073.77 Lakh
7. Total Liabilities – ₹2483.01 Lakh
8. Investments - Nil
9. Turnover - Nil
10. Profit before taxation – ₹3.54 Lakh
11. Provision for taxation - ₹ 1.00 Lakh
12. Profit after taxation – ₹2.54 Lakh
13. Proposed Dividend - Nil
14. % of shareholding - 100

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

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

## Part "B": Associates and Joint Ventures

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

| Name of Associates/Joint Ventures   | Name 1 |
|---|--------|
| <b>1. Latest audited Balance Sheet Date</b>   | -      |
| <b>2. Shares of Associate/Joint Ventures held by the company on the year end</b>    | -      |
| No.   | -      |
| Amount of Investment in Associates/Joint Venture                                    | -      |
| Extend of Holding %   | -      |
| Name of Associates/Joint Ventures   | Name 1 |
| <b>3. Description of how there is significant influence</b>                         | -      |
| <b>4. Reason why the associate/joint venture is not consolidated</b>                | -      |
| <b>5. Networth attributable to Shareholding as per latest audited Balance Sheet</b> | -      |
| <b>6. Profit / Loss for the year</b>  |        |
| i. Considered in Consolidation  | -      |
| i. Not Considered in Consolidation  | -      |

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

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

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

For and on behalf of the Board of Directors

**Deen Dayal Daga**

Chairman

**Rajiv Daga**

Managing Director &amp; CEO

**Atul Krishna Pandey**

Company Secretary

Place: Delhi

Date: 12<sup>th</sup> August 2023

## Annexure B to Boards Report

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

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

### ARCHIDPLY CSR VISION.

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

### OVERVIEW OF ACTIVITIES:

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

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

During the year, the company has spent ₹ 16.10 Lakh towards corporate social responsibility (CSR) under Section 135 of the Companies Act, 2013 and rules thereon by way of contribution to schools for their development.

Details about the CSR policy is available on our website, <http://www.archidply.com/>.

### 2. COMPOSITION OF CSR COMMITTEE:

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

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

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

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

Not Applicable

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

(Rupees in Lakh)

| S. No. | Financial Year | Amount available for set off from preceding financial years | Amount required to be set off for the financial year, if any |
|--------|----------------|---|--|
| 1.     | 2022-23        | NIL   | NA   |
|        | Total          | NIL   | NA   |

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

Average net profit: ₹759.47 Lakh.

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

The company is required to spend ₹15.19 Lakh.

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

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

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹15.19 Lakh

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

| Total Amount Spent for the Financial Year | Amount Unspent   |                  |  |        |                  |
|---|--|------------------|--|--------|------------------|
|   | Total Amount transferred to Unspent CSR Account as per Section 135(6) of the Act |                  | Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act |        |                  |
|   | Amount   | Date of transfer | Name of the Fund   | Amount | Date of transfer |
| 16.10 Lakh                                | NIL  | NA               | -NIL   | NIL    | -                |

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

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

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

(Rupees in Lakh)

| Sr. No.      | Name of the Project | Item from the list of activities in Schedule VII to the Act                         | Local area (Yes/No) | Location of the project |          | Amount spent for the project | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency |                     |
|--------------|---------------------|---|---------------------|-------------------------|----------|------------------------------|--|--|---------------------|
|              |                     |   |                     | State                   | District |                              |  | Name   | CSR Registration No |
| 1            | Not Applicable      | Promoting Healthcare, Education, Environmental Sustainability Rural Development etc | No                  | Uttar Pradesh           | Ayodhya  | 15.59                        | No                                       | Madhu Sudan Dharm Setu Trust                         | CSR00027817         |
| 2            | Not Applicable      | Promoting Healthcare, Education, Environmental Sustainability Rural Development etc | No                  | Tamil Nadu              | Chennai  | 0.51                         | No                                       | Round Table India Trust                              | CSR00000895         |
| <b>Total</b> |                     |   |                     |                         |          | <b>16.10</b>                 |  |  |                     |

d. Amount spent in Administrative Overheads: NIL

e. Amount spent on Impact Assessment, if applicable: NIL

f. Total amount spent for the Financial Year (8b+8c+8d+8e) : 16.10 Lakh

g. Excess amount for set off, if any

| S. No. | Particulars   | Amount |
|--------|---|--------|
| 1      | Two percent of average net profit of the Company as per Section 135(5) of the Act                           | 15.59  |
| 2.     | Total amount spent for the Financial Year   | 16.10  |
| 3.     | Excess amount spent for the financial year [(ii)-(i)]   | 0.51   |
| 4.     | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | NIL    |
| 5.     | Amount available for set off in succeeding financial years [(iii)-(iv)]                                     | NIL    |

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

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

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

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

NIL

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (assetwise details)
- (a) Date of creation or acquisition of the capital asset(s) : None
- (b) Amount of CSR spent for creation or acquisition of capital asset : NIL
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc. : Not Applicable
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : Not Applicable
11. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5) of the Act: Not Applicable

**Rajiv Daga**

Managing Director & CEO  
DIN: 01412917

**Deen Dayal Daga**

Chairperson, CSR Committee  
DIN: 00497806

Place: Delhi

Date: 12<sup>th</sup> August 2023

## ANNEXURE "C" TO THE DIRECTORS' REPORT

**UNDER THE RULE 8 OF COMPANIES (ACCOUNTS) RULE, 2014.****A. Conservation of Energy**

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

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

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

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

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

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

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

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

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

- **Future Plan of action:**

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

- **Expenditure on R & D**

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

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

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

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

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

- **Benefits derived as a result of the above efforts.**

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

- **Imported technology**

There is no imported technology during the year.

**C. Foreign Exchange Earning & Outgo**

Earnings: ₹ 1166.06 Lakh

Outgo: On account of Raw materials, Stores, Capital Goods, Foreign Travelling and Sales Promotions ₹ 1155.43 Lakh.

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

Place: Delhi  
Date: 12<sup>th</sup> August 2023

**Deen Dayal Daga**  
(Chairman)

## ANNEXURE "D" TO THE DIRECTORS' REPORT

## Form No. MR-3

### SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]  
FOR THE FINANCIAL YEAR ENDED: 31.03.2023

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

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ARCHIDPLY INDUSTRIES LIMITED (CIN: : L85110UR1995PLC008627 ) (hereinafter called the company) for the year ended March 31, 2023. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, to the extent the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the company has, during the financial year ended on March 31, 2023 (the audit period) generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment Overseas Direct Investment and External Commercial Borrowings: There were no FEMA provisions applicable during the Audit period.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable to the Company during the Audit Period);
  - d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit Period);
  - e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
  - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and
  - g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable to the Company during the Audit Period)
  - (h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.;
  - (i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- vi. Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing companies the following laws / acts are also inter alia, applicable to the Company:
  - a. The Environment (Protection) Act, 1986



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

The management of the company represented us that fiscal, labour, environmental laws and other statutes which are applicable to this type of company, are complied with.

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

- a. Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meeting.
- b. SEBI (Listing Obligations and Disclosure Requirements) 2015 for the year ended 31<sup>st</sup> March 2023 with Bombay Stock Exchange Limited and National Stock Exchange of India Ltd.

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

Pursuant to regulation 23(9) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, there was a delay of 2 days in the filing of the related party transaction report with the stock exchanges for the half year ended 31<sup>st</sup> March 2023. The company has paid the fine amounts of Rs. 11800 each to both the exchanges.

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

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

**I further report that :**

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

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

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

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

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

- a. a. The company during the financial year spent ₹16.10 Lakhs as a CSR Expenditure.
- b. There was no other event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

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

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

**(RAJNEESH SHARMA)**

Proprietor

FCS: 5549; CP No: 24210

UDIN: F005549E000790707

PR No.1771/2022

Place: Udaipur

Date: 12<sup>th</sup> August , 2023

**ANNEXURE – A**

(To the Secretarial Audit Report)

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

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

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

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

**(RAJNEESH SHARMA)**

Proprietor

FCS: 5549; CP No: 24210

UDIN: F005549E000790707

PR No.1771/2022

Place: Udaipur

Date:12<sup>th</sup> August , 2023

## ANNEXURES " E" TO DIRECTORS' REPORT

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

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

| Executive Directors | Ratio to Median Remuneration |
|---------------------|------------------------------|
| Mr. Deen Dayal Daga | 8.19                         |
| Mr. Shyam Daga      | 8.19                         |
| Mr. Rajiv Daga      | 12.80                        |

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

| Directors, Managing Director& CFO, Joint Managing Director & CEO and Company Secretary | % increase in the remuneration in the Financial year |
|--|--|
| Mr. Deen Dayal Daga, Chairman  | 00.00%   |
| Mr. Shyam Daga, Executive Director   | 00.00 %  |
| Mr. Rajiv Daga, Managing Director & CEO  | 56.25 %  |
| Mr. Anil Sureka, CFO   | 10.00 %  |
| Mr. Atul Krishna Pandey, Company Secretary   | 15.00%   |

- (iii) The percentage increase in the median remuneration of employees in the financial year : 10%
- (iv) The number of permanent employees on the rolls of the company: 373
- (v) Average percentile increases already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Average remuneration of employees (non-managerial) increased by 10% (including the promotional increase) in FY23 and for managerial employees average remuneration increased by 10% in FY23.
- (vi) Affirmation that the remuneration is as per the Remuneration Policy of the Company: It is affirmed that the remuneration paid is as per the Remuneration Policy, applicable for Directors, Key Managerial Personnel and other employees, adopted by the Company.

For and on behalf of the Board of Directors

**Deen Dayal Daga**  
(Chairman)

Place: Delhi

Date: 12<sup>th</sup> August, 2023

# Report on Corporate Governance

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

The detailed report on Corporate Governance for the financial year ended March 31, 2023, as per regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is set out below:

## Company's philosophy on Code of Governance

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

## Board of Directors:

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

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

## Board Composition & Categories.

The Board of Directors of the Company consists of an optimum combination of Executive and Non-Executive Directors. The Board of Directors comprises 6 Directors out of which 4 Directors are Non-executive Directors as on 31.03.2023. The Company has an Executive Chairman and not less than half of the total strength of the Board comprises of Independent Directors. The Company has three Independent Directors. None of the Directors on the Company's Board is a member of more than 10 Committees and Chairman of more than 5 Committees across all the Companies in which they were Director as on 31.03.2023. All the Directors have made necessary disclosures regarding committee positions occupied by them in other Companies.

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

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

During the year, 4 (four) Board Meetings were held on 20.05.2022, 09.08.2022, 07.11.2022, and 07.02.2023. There has not been a time gap in excess of four months between any two meetings of the Board of Directors.

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

| Name of the Director (Designation) | (Designation) & Category                    | FY 2022-23 Attendance at |          | No. Of Other Directorships Held* | No. of Committee Positions held |               |
|------------------------------------|---|--------------------------|----------|----------------------------------|---------------------------------|---------------|
|                                    |   | BM                       | Last AGM |                                  | This Company                    | Other Company |
| Mr. Deen Dayal Daga                | Executive Chairman – Promoter Director      | 4                        | YES      | 5                                | 1                               | Nil           |
| Mr. Rajiv Daga                     | Managing Director & CEO – Promoter Director | 4                        | YES      | 4                                | 3                               | 1             |

| Name of the Director (Designation) | (Designation) & Category                    | FY 2022-23 Attendance at |          | No. Of Other Directorships Held* | No. of Committee Positions held |               |
|------------------------------------|---|--------------------------|----------|----------------------------------|---------------------------------|---------------|
|                                    |   | BM                       | Last AGM |                                  | This Company                    | Other Company |
| Mr. Shyam Daga                     | Non- Executive Director - Promoter Director | 1                        | YES      | 3                                | Nil                             | 2             |
| Mr. Mohammad Shahid Aftab          | Non-Executive Independent Director          | 4                        | YES      | 1                                | 4                               | Nil           |
| Mrs. Shanti Varadaraj Mallar       | Non-Executive Independent Director          | 3                        | YES      | Nil                              | 4                               | Nil           |
| Mr. Pritam Singh                   | Non-Executive Independent Director          | 4                        | YES      | 1                                | 4                               | Nil           |

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

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

The number of other listed entity's Board(s) or Board Committees in which the Directors are member/ chairperson and name of other Listed Companies along with Category of Directorship as on March 31, 2023 are as follows:

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

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

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

### Performance evaluation of Board & Directors:

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

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

- Integrity and maintenance of confidentiality.

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

The board and committee were evaluated on the following parameters:

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

#### Meeting of Independent Directors:

A separate meeting of Independent Directors for the Financial Year 2022-23 as per SEBI (LODR) Regulation 2015 was held on 07<sup>th</sup> February 2023, wherein the Independent Directors reviewed the performance of the Executive Directors and evaluation of Board and other matters. All the independent Directors were present at the meeting.

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

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

The familiarisation policy including details of familiarisation programmes attended by Independent Directors during the year ended March 31, 2023 is posted on the website of the Company i.e. [www.archidply.com](http://www.archidply.com).

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

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

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

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

| Skills and its description  | Deen Dayal Daga | Rajiv Daga | Shyam Daga | MS Aftab | Shanti Varadaraj Mallar | Pritam Singh |
|---|-----------------|------------|------------|----------|-------------------------|--------------|
| Experience of crafting Business Strategies  | Yes             | Yes        | Yes        | Yes      | Yes                     | Yes          |
| Experience in developing long-term strategies to grow consumer/dealer business, consistently, profitably, competitively and in a sustainable manner in diverse business environments and changing economic conditions |                 |            |            |          |                         |              |
| Finance and Accounting Experience:  | Yes             | Yes        | Yes        | Yes      | Yes                     | No           |
| Leadership experience in handling financial management of a organization along with an understanding of accounting and financial statements   |                 |            |            |          |                         |              |

| Skills and its description   | Deen Dayal Daga | Rajiv Daga | Shyam Daga | MS Aftab | Shanti Varadaraj Mallar | Pritam Singh |
|--|-----------------|------------|------------|----------|-------------------------|--------------|
| Leadership experience of running enterprise:   | Yes             | Yes        | Yes        | Yes      | Yes                     | Yes          |
| Experience in leading well-governed organisations, with an understanding of organisational systems and processes complex business and regulatory environment, strategic planning and risk management, understanding of emerging local and global trends and management of accountability and performance |                 |            |            |          |                         |              |
| HR/ people Orientation:  | Yes             | Yes        | yes        | Yes      | Yes                     | Yes          |
| Understanding of HR Policies) Managing HR activities, talent development and strengthening the people function   |                 |            |            |          |                         |              |
| Understanding of Consumer and Customer Insights in diverse environments and conditions –   | Yes             | Yes        | Yes        | Yes      | Yes                     | Yes          |
| Experience of having managed organisations with consumer/dealers interface in diverse business environments and economic conditions which helps in leveraging consumer/dealers insights for business benefits.   |                 |            |            |          |                         |              |

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

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

#### CONFIRMATION AS REGARDS INDEPENDENCE OF INDEPENDENT DIRECTORS

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

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

#### Composition of Board Committee

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

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

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

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

## Audit Committee

### Terms of Reference:

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

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

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

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

#### (ii) Business Risk Evaluation and Management

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

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

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

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

#### (iii) WHISTLE-BLOWER POLICY

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

#### (iv) PROHIBITION OF INSIDER TRADING

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

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

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

The Committee met 4 times during the FY 2022-23 on 20.05.2022, 09.08.2022, 07.11.2022, and 07.02.2023. The attendance and Composition of meetings is as under:

| S. No | Name of Director             | Designation                | Category                   | No. of meetings attended |
|-------|------------------------------|----------------------------|----------------------------|--------------------------|
| 1     | Mr. Mohammed Shahid Aftab    | Chairman                   | Non Executive, Independent | 4                        |
| 2     | Mr. Rajiv Daga               | Member                     | Executive, Promoter        | 4                        |
| 3     | Mrs. Shanti Varadaraj Mallar | Member                     | Non Executive, Independent | 3                        |
| 4     | Mr. Pritam Singh             | Member                     | Non Executive, Independent | 4                        |
| 5     | Mr. Kamal Karnani            | Statutory Auditor          | Statutory Auditor          | 4                        |
| 6     | Mr. Atul Krishna Pandey      | Secretary to the Committee | Company Secretary          | 4                        |

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



## Nomination & Remuneration Committee:

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

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

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

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

During the year 2022-23, 3 meetings of Committee were held on 20.05.2022, 09.08.2022 & 07.11.2022. The Composition and other details of Nomination and Remuneration Committee of the Company are as follows:

The Committee comprises of three independent Directors:

| S. No | Name of Director             | Designation                | Category                            | No. of meetings attended |
|-------|------------------------------|----------------------------|-------------------------------------|--------------------------|
| 1     | Mr. Mohammed Shahid Aftab    | Chairman                   | Non Executive, Independent Director | 3                        |
| 2     | Mr. Pritam Singh             | Member                     | Non Executive, Independent Director | 3                        |
| 3     | Mrs. Shanti Varadaraj Mallar | Member                     | Non Executive, Independent Director | 2                        |
| 4     | Mr. Atul Krishna Pandey      | Secretary to the Committee | Company Secretary                   | 3                        |

### • Details of Remuneration paid to Directors:

#### Payment to Non-Executive Directors

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

(In ₹)

| Name of Directors            | Sitting fees |
|------------------------------|--------------|
| Mr. Mohammed Shahid Aftab    | 150000       |
| Mrs. Shanti Varadaraj Mallar | 115000       |
| Mr. Pritam Singh             | 150000       |

#### Pecuniary relations or transactions of the Non-Executive Directors.

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

#### Payment to Executive Directors

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

(Per Month)

| Name of Director    | Basic Salary | HRA    | Total  |
|---------------------|--------------|--------|--------|
| Mr. Deen Dayal Daga | 200000       | 120000 | 320000 |
| Mr. Rajiv Daga#     | 200000       | 120000 | 320000 |
|                     | 320000       | 180000 | 500000 |
| Mr. Shyam Daga*     | 200000       | 120000 | 320000 |

#remuneration paid to Mr. Rajiv Daga from April 2022 to September 2022 is ₹320000 pm & from October 2022 to March 2023 is ₹500000.

\*remuneration paid to Mr. Shyam Daga from April 2022 to September 2022.

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

The details of shares held by the Executive and Non-Executive Directors of the Company as on March 31, 2023 are as follows:

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

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

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

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

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

#### **REMUNERATION**

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

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

#### **REMUNERATION OF CHAIRPERSON**

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

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

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

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

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

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

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

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

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

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

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

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

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

#### **CODE OF CONDUCT**

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

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

A declaration signed by the Company's Managing Director & CEO is published in this Report.

#### **COMPLIANCE**

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

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

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

#### **EMPLOYEE STOCK OPTIONS**

Archidply has not issued any Employee Stock Option during F.Y 2022-23.

#### **Stakeholder Relationship Committee:**

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

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

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

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

The Committee met four times during the FY 2022-23 on 20.05.2022, 09.08.2022, 07.11.2022, and 07.02.2023. The attendance and Composition of meetings is as under:

| S. No | Name of Director             | Designation | Category                   | No. of meetings attended |
|-------|------------------------------|-------------|----------------------------|--------------------------|
| 1     | Mr. Mohammed Shahid Aftab    | Chairman    | Non Executive, Independent | 4                        |
| 2     | Mr. Pritam Singh             | Member      | Non Executive, Independent | 4                        |
| 3     | Mr. Rajiv Daga               | Member      | Managing Director          | 4                        |
| 4.    | Mrs. Shanti Varadaraj Mallar | Member      | Non Executive, Independent | 3                        |

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

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

During the year 2022-23 - No Complaints was received.

### Corporate Social Responsibility (CSR) Committee:

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

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

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

The terms of reference of the Committee are:

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

The committee met 1 time during the financial year ended March 31, 2023 on 09.08.2023.

| S. No | Name of Director             | Designation | Category                   | No. of meetings attended |
|-------|------------------------------|-------------|----------------------------|--------------------------|
| 1.    | Mr. Deen Dayal Daga          | Chairman    | Executive, Promoter        | 1                        |
| 2.    | Mr. Rajiv Daga               | Member      | Executive, Promoter        | 1                        |
| 3.    | Mr. Pritam Singh             | Member      | Non Executive, Independent | 1                        |
| 4.    | Mrs. Shanti Varadaraj Mallar | Member      | Non Executive, Independent | 0                        |

### General Body Meetings

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

| Year | Location   | Date       | Time     | No of Special Resolution (s) passed |
|------|--|------------|----------|-------------------------------------|
| 2022 | Plot no. 7, Sector-9, IIE SIDCUL Pantnagar, Rudrapur, Udham Singh Nagar, Uttarakhand -263153   | 30-09-2022 | 11:30 AM | 1                                   |
| 2021 | Through Video Conferencing (Plot no. 7, Sector-9, IIE SIDCUL Pantnagar, Rudrapur, Udham Singh Nagar, Uttarakhand -263153 – Deemed Venue) | 26-07-2021 | 11:00 AM | 5                                   |
| 2020 | Through Video Conferencing (Plot no. 7, Sector-9, IIE SIDCUL Pantnagar, Rudrapur, Udham Singh Nagar, Uttarakhand -263153 – Deemed Venue) | 29-09-2020 | 11:30 AM | 4                                   |

- The following Special Resolution was taken up in the last three Annual General Meetings.
- Change in designation of Mr. Shyam Daga (DIN: 0056180) from Executive Director to Non-Executive Director, effective from 1<sup>st</sup> October, 2022.
- Authorise board to borrow.
- Increase the limits for Loan/Guarantee / Security / Investments
- Loan to directors, Etc
- Regularisation of Additional Director, Mr. Pritam Singh by appointing him as independent director of the company
- Re-appointment of Executive Chairman, Managing Director & CEO, and Executive Director
- Re-appointment of Independent Directors

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

### Disclosures

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

### Means of Communication

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

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

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

### Website:

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

### General Shareholder Information

- 28<sup>th</sup> Annual General Meeting:** shall be held on Thursday, September 28, 2023 at 11:30 a.m. at the registered office of the company at plot no. 7, sector - 9, Integrated Industrial Estates, SIDCUL, Pant Nagar, dist. Udam Singh Nagar, Rudrapur, Uttarakhand, 263153.
- Financial Year**  
The Company's financial year was from April 1<sup>st</sup> 2022 to March 31<sup>st</sup> 2023.
- Publication of results for the financial year 2023-24 (tentative and subject to change)**  
First quarter results: On or before August 14, 2023  
Second quarter and half year results: On or before November 14, 2023  
Third quarter results: On or before February 14, 2024  
Fourth quarter results and results for the year ending March 31, 2023: On or before May 30, 2024.
- Date of Book Closure**  
22<sup>nd</sup> September, 2023 to 28<sup>th</sup> September 2023 (Both days inclusive)
- Dividend payment date**  
No dividend declared for the year under review.

**6. Listing on stock exchanges**

The Equity shares of the Company are listed at:

**Bombay Stock Exchange Limited (BSE)**

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

**National Stock Exchange Limited (NSE)**

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

The annual listing fees, for the equity shares of the Company, pertaining to the year 2023-24 has been paid to the concerned stock exchange on demand.

**7. Stock code**

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

Corporate Identification Number –L85110UR1995PLC008627

**8. Stock Market data & Performance in comparison to BSE Sensex and NSE Nifty Monthly Closing high and low quotation of shares traded on National and Bombay stock Exchange for the year 2022-23**

| Year 2022-23 Month | BSE        |           |             |            | NSE        |           |            |           |
|--------------------|------------|-----------|-------------|------------|------------|-----------|------------|-----------|
|                    | High Price | Low Price | Sensex High | Sensex Low | High Price | Low Price | Nifty High | Nifty Low |
| Apr-22             | 59.75      | 37.85     | 60,845.10   | 56,009.07  | 59.05      | 53.55     | 8,359.30   | 8,210.15  |
| May-22             | 61.00      | 42.05     | 57,184.21   | 52,632.48  | 53.75      | 50.15     | 7,906.60   | 7,823.50  |
| Jun-22             | 60.50      | 43.00     | 56,432.65   | 50,921.22  | 52.90      | 50.15     | 7,506.25   | 7,427.55  |
| Jul-22             | 74.00      | 50.40     | 57,619.27   | 52,094.25  | 71.80      | 68.50     | 8,161.90   | 8,094.05  |
| Aug-22             | 99.35      | 65.00     | 60,411.20   | 57,367.47  | 99.10      | 90.65     | 8,534.55   | 8,385.05  |
| Sep-22             | 105.05     | 74.00     | 60,676.12   | 56,147.23  | 85.15      | 80.30     | 8,286.10   | 8,083.70  |
| Oct-22             | 86.50      | 75.80     | 60,786.70   | 56,683.40  | 82.40      | 76.65     | 8,590.30   | 8,533.25  |
| Nov-22             | 80.50      | 65.05     | 63,303.01   | 60,425.47  | 76.50      | 74.25     | 8,901.70   | 8,808.15  |
| Dec-22             | 83.45      | 61.55     | 63,583.07   | 59,754.10  | 74.70      | 69.65     | 8,678.00   | 8,591.50  |
| Jan-23             | 74.50      | 61.15     | 61,343.96   | 58,699.20  | 66.80      | 65.15     | 8,334.20   | 8,234.15  |
| Feb-23             | 67.60      | 54.50     | 61,682.25   | 58,795.97  | 57.90      | 55.25     | 8,118.30   | 8,058.25  |
| Mar-23             | 65.10      | 49.70     | 60,498.48   | 57,084.91  | 53.45      | 50.05     | 8,113.45   | 8,037.15  |

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

**9. Registrar & Transfer Agents.**

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

KFin Technologies Limited  
Karvy Selenium, Tower- B, Plot No 31 & 32.,  
Financial district, Nanakramguda,  
Serilingampally Mandal, Hyderabad, 500032  
Tel: +91 04 67161500  
Email Id: einward.ris@kfintech.com.

**10. Share Transfer System:**

The Company has a Committee of the Board of Directors called Stakeholders Relationship Committee and takes necessary steps as per its terms of reference duly approved by the Board from time to time. No Share transfer requests were received during the Financial Year 2022-23.

## 11. Distribution of Shareholdings

The distribution of shareholding as on as on 31.03.2023 is given as under:

The distribution of shareholding according to category as on 31.03.2023

| ARCHIDPLY INDUSTRIES LIMITED           |                |              |               |                     |               |
|--|----------------|--------------|---------------|---------------------|---------------|
| Distribution Schedule as on 31/03/2023 |                |              |               |                     |               |
| Sno                                    | Category       | No. of Cases | % of Cases    | Amount              | % of Amount   |
| 1                                      | 1-5000         | 10545        | 83.76         | 13338220.00         | 6.71          |
| 2                                      | 5001- 10000    | 986          | 7.83          | 7811420.00          | 3.93          |
| 3                                      | 10001- 20000   | 568          | 4.51          | 8415580.00          | 4.24          |
| 4                                      | 20001- 30000   | 183          | 1.45          | 4639750.00          | 2.34          |
| 5                                      | 30001- 40000   | 84           | 0.67          | 2996460.00          | 1.51          |
| 6                                      | 40001- 50000   | 69           | 0.55          | 3279060.00          | 1.65          |
| 7                                      | 50001- 100000  | 89           | 0.71          | 6488330.00          | 3.27          |
| 8                                      | 100001 & above | 65           | 0.52          | 151681180.00        | 76.36         |
| <b>Total:</b>                          |                | <b>12589</b> | <b>100.00</b> | <b>198650000.00</b> | <b>100.00</b> |

| Shareholding Pattern As On 31/03/2023 |                                     |              |                 |               |
|---------------------------------------|-------------------------------------|--------------|-----------------|---------------|
| Sno                                   | Description                         | No. of Cases | Total Shares    | % Equity      |
| 1                                     | PROMOTER INDIVIDUALS                | 3            | 2105605         | 10.60         |
| 2                                     | PROMOTERS                           | 2            | 655442          | 3.30          |
| 3                                     | PROMOTERS HUFS                      | 1            | 20000           | 0.10          |
| 4                                     | PROMOTERS BODIES CORPORATE          | 4            | 8274626         | 41.65         |
| 5                                     | PROMOTER COMPANIES                  | 1            | 2827850         | 14.24         |
| 6                                     | RESIDENT INDIVIDUALS                | 12036        | 5363994         | 27.00         |
| 7                                     | NON RESIDENT INDIAN NON REPATRIABLE | 44           | 31755           | 0.16          |
| 8                                     | NON RESIDENT INDIANS                | 94           | 91131           | 0.46          |
| 9                                     | BODIES CORPORATES                   | 47           | 183803          | 0.93          |
| 10                                    | CLEARING MEMBERS                    | 11           | 13666           | 0.07          |
| 11                                    | H U F                               | 346          | 297128          | 1.50          |
| <b>Total:</b>                         |                                     | <b>12589</b> | <b>19865000</b> | <b>100.00</b> |

## 12. Dematerialization of Shares and liquidity.

As on 31.03.2023, of the shareholding were held in dematerialized form as per details mentioned below:

| ARCHIDPLY INDUSTRIES LIMITED    |             |               |                 |               |
|---------------------------------|-------------|---------------|-----------------|---------------|
| CONTROL REPORT AS ON 31/03/2023 |             |               |                 |               |
| Sno                             | Description | No of Holders | Shares          | % To Equity   |
| 1                               | PHYSICAL    | 21            | 70175           | 0.35          |
| 2                               | NSDL        | 4939          | 16636323        | 83.75         |
| 3                               | CDSL        | 7846          | 3158502         | 15.90         |
| <b>Total:</b>                   |             | <b>12806</b>  | <b>19865000</b> | <b>100.00</b> |

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

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

There were no outstanding GDRs/ADRs/ Warrants or any other Convertible Instruments as on 31.03.2023.

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

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

**15. Details of non-compliance**

| Financial Year | Particulars   |
|----------------|---|
| 2022-23        | NSE & BSE levied fine for delay of 2 days in filing of Related Party Transaction Report for the quarter ended 31 <sup>st</sup> March, 2023. |
| 2021-22        | Nil   |
| 2020-21        | Nil   |

**16. Plant locations**

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

**17. Address for correspondence****Registered Office:****ARCHIDPLY INDUSTRIES LTD**

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

PH: 05944-250270, FAX: 05944-250269

E-mail: info@archidply.com; cs@archidply.com Website: www.archidply.com

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

During the financial year 2022-23, the Company does not have any debt instruments or any Fixed Deposit Programme or any scheme or the proposal of the Company involving mobilization of funds in India or in abroad.

CRISIL had reaffirmed the rating of BBB / Stable/ A3+for the bank loan facilities of Rs 81.90 Cr of Archidply Industries Ltd. on 04 October 2022.

**19. Other Disclosures**

- The Company does not have materially significant related party transactions that may have potential conflict with the interests of listed entity at large; The necessary disclosures of related party transactions has been made.
- There has been no non-compliance by the Company and no penalties, strictures imposed on the Company by any statutory authority, on any matter related to capital markets, during the last three years;
- The Company has establishment of vigil mechanism, whistle blower policy, and it is affirmed that no personnel has been denied access to the audit committee;
- The Company has complied with all the mandatory requirements as prescribed in the SEBI Listing Regulations and the Companies Act, 2013; the Company has not adopted the non- mandatory requirements;
- The Company has one material subsidiary;
- The policy on related party transactions is available on the website www.archidply.com
- There is no commodity price risks and commodity hedging activities taken by the Company.
- The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).
- a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed to this Report.
- During the financial year 2022-23, there was no instances where the board had not accepted any recommendation of any committee of the board which is mandatorily required.
- Total fees for all services paid by the Company to the statutory auditor

|  |           |
|--|-----------|
| a) Statutory Audit Fee                     | ₹4,00,000 |
| b) Fees for other statutory certifications | ₹1,00,000 |
| Total                                      | ₹5,00,000 |

- During the year in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
  - number of complaints filed during the financial year : nil
  - number of complaints disposed of during the financial year: nil



c. number of complaints pending as on end of the financial year.: nil

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

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

| S.No. | Particulars  | No. of Shareholders | Outstanding shares |
|-------|--|---------------------|--------------------|
| 1     | Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the beginning of the year | 9                   | 3225               |
| 2     | Number of shareholders to whom shares were transferred from Suspense Account during the year                           | 0                   | 0                  |
| 3     | Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the end of the year       | 9                   | 3225               |

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

In terms of the Listing Regulations, I hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the respective Codes of Conduct, as applicable to them for the year ended March 31, 2023.

**For Archidply Industries Limited**

**Rajiv Daga**  
(Managing Director & CEO)

Place: Delhi

Date: 12<sup>th</sup> August 2023

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

The Board of Directors

**M/s. Archidply Industries Limited**

We have reviewed the financial statements and the cash flow statement of Archidply Industries Limited for the financial year 2022-23 and certify that:

- a) These statements to the best of our knowledge and belief:
  - I. Do not contain any materially untrue statements or omit any material facts or contain statements that might be misleading:
  - II. Present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, there are no transactions entered into by the Directors and Senior Management Personnel during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company for such reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies, if any, in the design or operation of such internal controls, of which we are aware of and the steps taken and/or proposed to be taken to rectify these deficiencies.
- d) We have also indicated to the Auditors and the Audit Committee.
  - (i) Significant changes in Internal Controls with respect to financial reporting during the year.
  - (ii) Significant changes in accounting policies during the Year and these have been disclosed in the notes to the financial statements.
- e) To the best of our knowledge and belief, there are no instances of significant fraud involving either the management or employees having a significant role in the Company's internal control systems with respect to financial reporting.

**Rajiv Daga**

(Managing Director & CEO)

**Anil Sureka**

(Chief Financial Officer)

Place : Delhi

Date : 12<sup>th</sup> August, 2023

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

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of ARCHIDPLY INDUSTRIES LIMITED having CIN-L85110UR1995PLC008627, having its registered office at Plot No 7, Sector-9, Integrated Industrial Estate, Sidcul, Pant Nagar, Rudrapur Udham Singh Nagar Uttarakhand - 263153 (herein after referred to as 'the company') produced before us by the company for the purpose of issuing this certificate in accordance with regulation 34(3) read with schedule 5 para C sub clause (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations 2015.

In our opinion and best of our belief, information and according to the verification (Including Director Identification Number(DIN) status of the respective directors at the portal www.mca.gov.in as considered necessary and written representation made by the respective directors, we hereby certify that none of the directors on the board of the company as stated below for the financial year ending on 31<sup>st</sup> March 2023 have been debarred or disqualified from being appointed or continuing as the director of the company by the securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority.

| Sr. No. | Name of Director        | DIN      | Date of appointment in Company |
|---------|-------------------------|----------|--------------------------------|
| 1       | Deen Dayal Daga         | 00497806 | 30/05/2015                     |
| 2       | Shyam Daga              | 00561803 | 30/05/2015                     |
| 3       | Rajiv Daga              | 01412917 | 24/12/2004                     |
| 4       | Mohammad Shahid Aftab   | 01363518 | 07/09/2007                     |
| 5       | Pritam Singh            | 01168865 | 18/06/2021                     |
| 6       | Shanti Varadaraj Mallar | 07114866 | 11/03/2015                     |

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

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

**(RAJNEESH SHARMA)**

Proprietor

FCS: 5549; CP No:24210

PR No.1771/2022

UDIN No.: F005549E000790685

Place : Udaipur  
Date: August 12, 2023

## CERTIFICATE ON CORPORATE GOVERNANCE

### TO THE MEMBERS OF ARCHIDPLY INDUSTRIES LIMITED

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

We have examined the compliance of conditions of Corporate Governance by Archidply Industries Limited for the year ended on March 31, 2023, as stipulated in Clause E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI(LODR)Regulation 2015 for the year ended on March 31,2023.

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

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

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

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

**(RAJNEESH SHARMA)**

Proprietor

FCS: 5549; CP No: 24210

UDIN: F005549E000790729

PR No.1771/2022

Place :Udaipur

Date: 12<sup>th</sup> August, 2023

# Financial Statements

# Independent Auditor's Report

To The Members of

## M/S. ARCHIDPLY INDUSTRIES LIMITED

Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying Standalone financial statements of **M/s. Archidply Industries Limited ("the Company")** which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its Profit, total comprehensive Loss, the changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

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

| Descriptions of Key Audit Matter   | How we addressed the matter in our audit  |
|--|---|
| <p><b>A. Valuation of Inventories</b></p> <p>Refer to note 8 to the financial statements.</p> <p>The Company is having Inventory of ₹5071.19 Lakh as on 31<sup>st</sup> March, 2023.</p> <p>Inventories are to be valued as per Ind AS 2. As described in the accounting policies in note 1(10) to the financial statements, inventories are carried at the lower of cost and net realisable value. As a result, the management applies judgment in determining the appropriate provisions against inventory of Stores, Raw Material, Finished goods and Work in progress based upon a detailed analysis of old inventory, net realisable value below cost based upon future plans for sale of inventory.</p> <p>To ensure that all inventories owned by the entity are recorded and recorded inventories exist as at the year-end and valuation has been done correctly</p> | <p>We obtained assurance over the appropriateness of the management's assumptions applied in calculating the value of the inventories and related provisions by:</p> <ul style="list-style-type: none"> <li>Completed a walkthrough of the inventory valuation process and assessed the design and implementation of the key controls addressing the risk.</li> <li>Verifying the effectiveness of key inventory controls operating over inventories; including sample based physical verification.</li> <li>Verify that the adequate cut off procedure has been applied to ensure that purchased inventory and sold inventory are correctly accounted.</li> <li>Reviewing the document and other record related to physical verification of inventories done by the management during the year.</li> <li>Verify that inventories are valued in accordance with Ind AS 2</li> <li>Verifying for a sample of individual products that costs have been correctly recorded.</li> </ul> |

- Comparing the net realisable value to the cost price of inventories to check for completeness of the associated provision.
- Reviewing the historical accuracy of inventory provisioning and the level of inventory write-offs during the year.

#### Our Conclusion:

Based on the audit procedures performed we did not identify any material exceptions in the Inventory valuation.

#### B. Revenue recognition on sale of goods and impairment loss allowance on trade receivables

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives and returns, if any, ('variable consideration') as specified in the contracts with the customers.

An estimate of variable consideration payable to the customers is recorded as at the year end. Such estimation is done based on the terms of contracts, rebates and discounts schemes and historical experience.

In accordance with Ind AS 109 – Financial Instruments, the Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. In calculating the impairment loss allowance, the Company has considered its credit assessment and other related credit information for its customers to estimate the probability of default in future and has considered estimates of possible effect from increased uncertainties in economic environment. We identified estimation of variable consideration and impairment loss allowance on trade receivables as a key audit matter because the Company's management exercises significant judgments and estimates in calculating the said variable consideration and impairment loss allowance

Our audit procedures included, amongst others:

- Tested a sample of sales transactions for compliance with the Company's accounting principles to assess the completeness, occurrence and accuracy of revenue recorded.
- We read and evaluated the Company's policies for revenue recognition and impairment loss allowance and assessed its compliance with Ind AS 115 – Revenue From Contracts With Customers' and Ind AS 109 'Financial Instruments', respectively.
- We assessed the design and tested the operating effectiveness of internal controls related to sales including variable consideration and impairment loss allowance on trade receivables.
- We performed the following tests for a sample of transactions relating to variable consideration:
  - Read the terms of contract including rebates and discounts schemes as approved by authorized personnel.
  - Evaluated the assumptions used in estimation of variable consideration by comparing with the past trends and understand the reasons for deviation.
  - Performed retrospective review to identify and evaluate variances.
- Tested the design, implementation and operating effectiveness of the Company's controls over computation of incentives and pay out against the corresponding liability
- We evaluated management's assessment of the assumptions used in the calculation of impairment loss allowance on trade receivables, including consideration of the current and estimated future uncertain economic conditions.
- For sample customers, we tested past collection history, customer's credit assessment and probability of default assessment performed by the management.
- We tested the mathematical accuracy and computation of the allowances.
- We read and assessed the relevant disclosures made within the standalone financial statements.

#### Our conclusion:

Based on the audit procedures performed we did not identify any material exceptions in the recognition of revenue and incentives and discount expenses.

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

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

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

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

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibility for the Audit of the Standalone Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including other Comprehensive Income, Statement of changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting standards) Rules, 2015.
  - e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our Report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations which could impact its financial position as mentioned in note no.34 to Financial Statement.
- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.
- iv. a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other source or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
  - directly or indirectly lender invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- b. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether,
  - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on audit procedures as we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause iv(a) and iv(b) contain any material mis-statement.
- v. The company has not declared or paid any dividend during the year, hence the provisions of section 123 of the Companies Act, 2013 is not applicable to the Company.
- vi. Proviso to Rule 3(1) of the Companies(Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
- h. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

For **GRV & PK**  
Chartered Accountants  
FRN: 008099S

**(Kamal Kishore)**  
Partner  
(Membership Number.205819)  
UDIN:23205819BGXZUA8438

Place: Delhi  
Date: 17.05.2023

## Annexure –A to the Independent Auditors’ Report on the Standalone Financial Statements of Archidply Industries Limited for the year ended 31 March 2023

The Annexure 1 referred to in Independent Auditors’ Report ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of **M/s. Archidply Industries Limited (“the Company”)** on the standalone financial statements for the year ended 31 March 2023, we report that:

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

| Quarter | As per bank return | As per books of account | Difference  | %age of Differences |
|---------|--------------------|-------------------------|-------------|---------------------|
| Q1      | 5,766.68 Lakhs     | 5,765.54 Lakhs          | 1.14 Lakhs  | 0.02%               |
| Q2      | 6,092.32 Lakhs     | 6,091.68 Lakhs          | 0.64 Lakhs  | 0.01%               |
| Q3      | 5,631.92 Lakhs     | 5,612.36 Lakhs          | 19.56 Lakhs | 0.35%               |
| Q4      | 5,106.72 Lakhs     | 5,071.19 Lakhs          | 35.53 Lakhs | 0.70%               |

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

| Particulars                                      | Aggregate amount during the year | Balance outstanding at the Balance sheet date |
|--|----------------------------------|---|
| Unsecured loan to Wholly Owned Subsidiary (100%) | 509.26 Lakhs                     | 518.20 Lakhs                                  |
| Investment in shares of Subsidiary Company       | 2580.00 Lakhs                    | 2590.00 Lakhs                                 |
| Corporate Guarantee to Bankers of Subsidiary     | 9030 Lakhs                       | 9030 Lakhs                                    |
| Corporate Guarantee to Bankers of Associate      | -                                | 2500 Lakhs                                    |

- (b) In our opinion and on the basis of information and explanation given to us, the investments made and the terms and conditions of the grant of loans, and Guarantee given during the year are, prima facie, not prejudicial to the Company’s interest.

- (c) In respect of loans granted by the Company, the schedule of repayment of principal has not been stipulated and no interest has been charged by the company.
- (d) As there is no stipulation about repayment of loan by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has granted loans and advances in the nature of loans without specifying any terms or period of repayment during the year.

Aggregate amount of loan to related parties as defined in section 2(76) of companies Act 2013 is as below:

| Loan                                   | Amount       | Percentage of total loan |
|--|--------------|--------------------------|
| Archidpanel Industries Private Limited | 518.20 Lakhs | 100.00%                  |

- (iv) The company has complied with the provisions of section 185 & 186 of the companies Act, 2013 in respect of loans granted, investment made & guarantees provided, as applicable.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any public deposits during the year to which section 73 to 76 or any other relevant provisions of the act are applicable. Accordingly, clause (v) of paragraph 3 of the order is not applicable to the company.
- (vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company. Accordingly, clause (vi) of paragraph 3 of the order is not applicable to the company.
- (vii) (a) According to the records of the company and information and explanations given to us and on the basis of our examination of the records of the company, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it, with the appropriate authorities.
- (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues in arrears /were outstanding as at 31 March, 2023 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, details of disputed Sales Tax, Income Tax, Customs Duty, Service Tax, Excise duty and Cess which have not been deposited as on 31<sup>st</sup> March, 2023 on account of any dispute are given below:

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

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any loan or other borrowings or any interest due thereon to any lender.
- (b) In our opinion and according to the information and explanations given to us, the company has not been a declared willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, no term loans were taken by the company during the year.
- (d) In our opinion and according to the information and explanations given to us, there are no funds raised on short term basis which have been utilised for long term purposes.
- (e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

- (f) In our opinion and according to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. Therefore, the provisions of Clause (x)(a) of paragraph 3 of the order are not applicable to the Company.
- (b) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause (x)(b) of paragraph 3 of the order is not applicable to the company.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) During the year no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As auditor, we did not receive any whistle-blower complaint during the year.
- (xii) In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company. Accordingly, clause (xii) of paragraph 3 of the order is not applicable to the company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of paragraph 3 of the order is not applicable to the company.
- (xvi) (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause (xvi)(a) and (b) of paragraph 3 of the order is not applicable to the company.
- (b) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (c) As per the information and explanations received, the group does not have any CIC as part of the group.
- (xvii) The company has not incurred cash loss in current financial year as well in immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanation given to us, there is no unspent amount under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) (a) and (b) of paragraph 3 of the order are not applicable to the Company.

For **GRV & PK**  
Chartered Accountants  
FRN: 008099S

**(Kamal Kishore)**  
Partner  
(Membership Number.205819)  
UDIN:23205819BGXZUA8438

Place: Delhi  
Date: 17.05.2023

## Annexure - B to the Independent Auditors' Report

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

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

We have audited the internal financial controls over financial reporting of **M/s. Archidply Industries Limited ("the Company")** as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### Auditors' Responsibility

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

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

#### Opinion

In our Opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **GRV & PK**  
Chartered Accountants  
FRN: 008099S  
**(Kamal Kishore)**  
Partner

Place: Delhi  
Date: 17.05.2023

(Membership Number.205819)  
UDIN:23205819BGXZUA8438

**Balance Sheet** as at March 31, 2023

(Amount in Lakhs)

| Particulars   | Notes | As at 31.03.2023 | As at 31.03.2022 |
|---|-------|------------------|------------------|
| <b>A. ASSETS</b>  |       |                  |                  |
| <b>1. NON-CURRENT ASSETS</b>  |       |                  |                  |
| (a) Property, plant and Equipment   | 2     | 4,189.83         | 4,268.46         |
| (b) Capital Work-in Progress  | 2     | 5.70             | -                |
| (c) Goodwill  | 2     | 92.69            | 123.64           |
| (d) Other Intangible Assets   | 2     | 9.38             | 9.88             |
| (e) Investment Property   |       | -                | -                |
| (f) Financial Assets  |       |                  |                  |
| i) Investments  | 3     | 2,590.00         | 77.74            |
| ii) Loans   | 4     | 518.20           | 8.94             |
| iii) Others   | 5     | 196.45           | 447.82           |
| (g) Deferred tax Asset (Net)  | 6     | 163.25           | 146.91           |
| (h) Other non current assets  | 7     | 111.16           | 116.02           |
| <b>Total Non current assets</b>   |       | <b>7,876.65</b>  | <b>5,199.43</b>  |
| <b>2. CURRENT ASSETS</b>  |       |                  |                  |
| (a) Inventories   | 8     | 5,071.19         | 5,121.10         |
| (b) Financial Assets  |       |                  |                  |
| ii. Trade Receivables   | 9     | 9,204.16         | 8,180.50         |
| iii. Cash and cash equivalent   | 10    | 31.41            | 404.41           |
| iv. Bank balances other than cash and cash equivalent                             | 11    | 48.18            | 68.61            |
| (c) Other current assets  | 12    | 611.37           | 955.19           |
| <b>Total Current Assets</b>   |       | <b>14,966.31</b> | <b>14,729.81</b> |
| <b>TOTAL ASSETS</b>   |       | <b>22,842.97</b> | <b>19,929.24</b> |
| <b>B. EQUITY &amp; LIABILITIES</b>  |       |                  |                  |
| <b>1. EQUITY:</b>   |       |                  |                  |
| (a) Equity Share Capital  | 13    | 1,986.50         | 1,986.50         |
| (b) Other Equity  | 14    | 8,393.82         | 7,240.08         |
| <b>Total Shareholders Fund</b>  |       | <b>10,380.32</b> | <b>9,226.58</b>  |
| <b>2. NON-CURRENT LIABILITIES</b>   |       |                  |                  |
| (a) Financial Liabilities   |       |                  |                  |
| i. Borrowings   | 15    | -                | 2.82             |
| (b) Provisions  | 16    | 599.20           | 474.37           |
| (c) Other Non Current Liabilities   | 17    | 159.33           | -                |
| <b>Total Non-Current liabilities</b>  |       | <b>758.53</b>    | <b>477.19</b>    |
| <b>3. CURRENT LIABILITIES</b>   |       |                  |                  |
| (a) Financial Liabilities   |       |                  |                  |
| i. Borrowings   | 18    | 6,342.64         | 5,374.68         |
| ii. Trade Payables  | 19    |                  |                  |
| <b>Total Outstanding dues of Micro and small Enterprises</b>                      |       | <b>1,638.15</b>  | <b>757.76</b>    |
| <b>Total Outstanding dues of Creditors other than Micro and small Enterprises</b> |       | <b>2,381.27</b>  | <b>2,999.98</b>  |
| iii. Other financial liabilities  | 20    | 491.57           | 352.19           |
| (b) Short term Provisions   | 21    | 668.85           | 608.85           |
| (c) Other Current Liabilities   | 22    | 122.89           | 99.52            |
| (d) Current Income Tax Liabilities(Net)   | 23    | 58.72            | 32.50            |
| <b>Total Current liabilities</b>  |       | <b>11,704.11</b> | <b>10,225.48</b> |
| <b>TOTAL EQUITY &amp; LIABILITIES</b>   |       | <b>22,842.97</b> | <b>19,929.24</b> |

**Notes from 01 to 49 form the integral part of Financial statements**

On behalf of the board of directors,

**Deen Dayal Daga**Chairman  
DIN: 00497806**Rajiv Daga**Managing Director  
DIN:01412917**Anil Sureka**

Chief Financial Officer

**Atul Krishna Pandey**Company Secretary  
M.No.: A47815**AS PER OUR REPORT OF EVEN DATE****For GRV & PK**Chartered Accountants  
Firm Reg. No. 008099S**Kamal Kishore**

(Partner)

Membership No. 205819  
UDIN:23205819BGXZUA8438

Place: Delhi

Date: 17.05.2023

**Statement of Profit & Loss** for the period March 31, 2023

(Amount in Lakhs)

| Particulars  | Notes | Figures at the end of Current Reporting Period | Figures at the end of Previous Reporting Period |
|--|-------|--|---|
| <b>INCOME :</b>  |       |  |   |
| Revenue From Operations  | 24    | 41,450.18                                      | 30,628.33                                       |
| Other Income   | 25    | 224.69   | 89.53   |
| <b>TOTAL INCOME</b>  |       | <b>41,674.87</b>                               | <b>30,717.87</b>                                |
| <b>EXPENSES :</b>  |       |  |   |
| Cost of Goods consumed   | 26    | 15,029.06                                      | 13,548.64                                       |
| Purchase of Stock In Trade   | 27    | 12,690.68                                      | 6,707.17  |
| Changes in Inventories of Finished Goods, Work-in-process and stock-in-trade     | 28    | 218.19   | (650.48)  |
| Employee Benefit Expenses  | 29    | 2,885.11                                       | 2,662.17  |
| Finance Cost   | 30    | 576.32   | 467.58  |
| Depreciation & Ammortisation Expense   | 2     | 398.50   | 402.86  |
| Other Expenses   | 31    | 8,225.87                                       | 6,416.45  |
| <b>TOTAL EXPENSES</b>  |       | <b>40,023.72</b>                               | <b>29,554.38</b>                                |
| <b>PROFIT BEFORE TAXATION</b>  |       | <b>1,651.15</b>                                | <b>1,163.48</b>                                 |
| Tax Expenses:  |       |  |   |
| Current Tax  |       | 422.00   | 345.00  |
| Deferred Tax   | 6     | 6.56   | (29.00)   |
| Taxes of earlier year  |       | -  | -   |
| <b>PROFIT AFTER TAXATION FOR THE YEAR</b>  |       | <b>1,222.59</b>                                | <b>847.48</b>                                   |
| Other Comprehensive Income   |       |  |   |
| A i) Items that will not be reclassified to profit or loss                       |       |  |   |
| Defined benefit plan actuarial gains/(losses)                                    |       | (91.00)  | 11.62   |
| ii) Income Tax relating to items that will not be reclassified to profit or loss |       | 22.90  | 2.92  |
| B i) Items that will be reclassified to profit or loss                           |       |  |   |
| (Dimunision)/Increase in the value of Investment                                 |       | (0.74)   | 0.74  |
| ii) Income Tax relating to items that will not be reclassified to profit or loss |       |  | -   |
| <b>Other Comprehensive Income net of tax</b>                                     |       | <b>(68.84)</b>                                 | <b>15.29</b>                                    |
| <b>Total Comprehensive Income for the year, net of tax</b>                       |       | <b>1,153.75</b>                                | <b>862.77</b>                                   |
| <b>Earning Per Share ( ₹ )</b>   |       |  |   |
| Basic & diluted  |       | 6.15   | 4.27  |

**Notes from 01 to 49 form the integral part of Financial statements**

On behalf of the board of directors,

**Deen Dayal Daga**Chairman  
DIN: 00497806**Rajiv Daga**Managing Director  
DIN:01412917**Anil Sureka**

Chief Financial Officer

**Atul Krishna Pandey**Company Secretary  
M.No.: A47815**AS PER OUR REPORT OF EVEN DATE****For GRV & PK**Chartered Accountants  
Firm Reg. No. 008099S**Kamal Kishore**

(Partner)

Membership No. 205819  
UDIN:23205819BGXZUA8438

Place: Delhi

Date: 17.05.2023



**Statement of Cash Flow** for the period March 31, 2023

(Amount in Lakhs)

| Particulars   | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| <b>A. Cash flows arising from operating activities</b>  |                                      |                                      |
| Net Profit/(Loss) Before Tax                            | 1,651.15                             | 1,163.48                             |
| <b>Add:</b> Depreciation                                | 398.50                               | 402.86                               |
| Interest Paid   | 576.32                               | 467.58                               |
| Loss on Sale of Assets                                  | 4.29                                 | 26.01                                |
| <b>Less:</b> Other comprehensive (Income)/loss          | 91.00                                | (11.62)                              |
|   | <b>2,539.26</b>                      | <b>2,071.55</b>                      |
| <b>Less:</b> Profit on sale of Assets                   | -                                    | -                                    |
| Profit on sale of Investment                            | 0.32                                 | 3.36                                 |
| Depreciation withdrawn Deferred Government grant        | 169.71                               | -                                    |
| Interest Received                                       | 7.86                                 | 9.45                                 |
|   | <b>2,361.36</b>                      | <b>2,058.74</b>                      |
| <b>Operating profit before working capital changes</b>  |                                      |                                      |
| (Increase)/Decrease in Inventory                        | 49.91                                | (543.26)                             |
| (Increase)/Decrease in Debtors                          | (1,023.66)                           | (1,204.14)                           |
| (Increase)/Decrease in Loans & Advances                 | 221.10                               | 54.74                                |
| (Increase)/Decrease in Other current assets             | 343.82                               | 26.12                                |
| Increase/(Decrease) in Trade Payables                   | 261.69                               | 1,172.38                             |
| Increase/(Decrease) in Provisions                       | 184.83                               | (74.16)                              |
| Increase/(Decrease) in other current liabilities        | 162.75                               | (17.06)                              |
| Cash flow from Operations                               | <b>2,561.82</b>                      | <b>1,473.37</b>                      |
| Payment of Income Tax                                   | 395.77                               | 329.48                               |
| <b>Net Cash Flow from Operating Activities</b>          | <b>2,166.05</b>                      | <b>1,143.89</b>                      |
| <b>B. Cash flows arising from Investment activities</b> |                                      |                                      |
| <b>Inflows:</b>   |                                      |                                      |
| FD matured  | 55.56                                | 30.61                                |
| Sale of Fixed Asset                                     | 4.03                                 | 73.29                                |
| Sale of Investment                                      | 903.32                               | 18.44                                |
| Interest Received                                       | 7.86                                 | 9.45                                 |
| <b>Outflows:</b>  |                                      |                                      |
| Investment in Fixed Assets                              | 296.73                               | 129.51                               |
| Change in WIP   | 5.70                                 | (11.69)                              |
| Loans given   | 509.25                               | 8.94                                 |
| FD Made with bank                                       | -                                    | 26.03                                |
| Purchase of Investment                                  | 3,416.00                             | 77.00                                |
|   | <b>(3,256.91)</b>                    | <b>(97.99)</b>                       |

**Statement of Cash Flow (Contd..)** for the period March 31, 2023 (Amount in Lakhs)

| Particulars   | For the year ended<br>March 31, 2023 |                 | For the year ended<br>March 31, 2022 |                 |
|---|--------------------------------------|-----------------|--------------------------------------|-----------------|
| <b>C. Cash flows arising from finance activities</b>  |                                      |                 |                                      |                 |
| <b>Inflows:</b>                                       |                                      |                 |                                      |                 |
| Proceeds from Secured Loan                            | 814.32                               |                 | -                                    |                 |
| Proceeds from Unsecured Loan                          | 709.51                               |                 | -                                    |                 |
| Subsidy Received                                      | 329.05                               |                 | -                                    |                 |
| <b>Outflows:</b>                                      |                                      |                 |                                      |                 |
| Repayment of Secured Loan                             | 69.19                                |                 | 1,040.92                             |                 |
| Repayment of unsecured Loan                           | 489.51                               |                 | -                                    |                 |
| Interest paid   | 576.32                               | 717.86          | 467.58                               | (1,508.49)      |
|   |                                      |                 |                                      |                 |
| <b>Cash flow from all activities-(A+B+C)</b>          |                                      | <b>(373.00)</b> |                                      | <b>(462.59)</b> |
| Add: Cash & cash equivalents at beginning of the year |                                      | 404.41          |                                      | 867.00          |
| Cash & cash equivalents at year end of the year       |                                      | 31.41           |                                      | 404.41          |

**Notes from 01 to 49 form the integral part of Financial statements**

On behalf of the board of directors,

**Deen Dayal Daga**Chairman  
DIN: 00497806**Rajiv Daga**Managing Director  
DIN:01412917**Anil Sureka**

Chief Financial Officer

**Atul Krishna Pandey**Company Secretary  
M.No.: A47815**AS PER OUR REPORT OF EVEN DATE****For GRV & PK**Chartered Accountants  
Firm Reg. No. 008099S**Kamal Kishore**

(Partner)

Membership No. 205819  
UDIN:23205819BGXZUA8438

Place: Delhi

Date: 17.05.2023

## Statement of Changes in Equity

### A. EQUITY SHARE CAPITAL

(Amount in lakhs)

| Balance as at April 1, 2022 | Changes in Equity share capital due to prior period errors | Restated Balance as at April 1, 2022 | Changes in Equity Share Capital during the year | Balance as at March 31, 2023 |
|-----------------------------|--|--------------------------------------|---|------------------------------|
| 1,986.50                    | -  | 1,986.50                             | -   | 1,986.50                     |

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

### B. OTHER EQUITY

(Amount in lakhs)

| Particulars                               | (As at March 31, 2023) |                   |                            |                 |                            |                    |
|---|------------------------|-------------------|----------------------------|-----------------|----------------------------|--------------------|
|   | Share Premium          | Retained Earnings | Other Comprehensive Income | Capital Subsidy | Capital Redemption reserve | Total Other Equity |
| Opening Balance                           | 880.16                 | 6,105.77          | 4.15                       | 30.00           | 220.00                     | 7,240.08           |
| Add: Profit for the Period                |                        | 1,222.59          |                            |                 |                            | 1,222.59           |
| Add: Other Comprehensive Income/(Loss)    |                        |                   | (68.84)                    |                 |                            | (68.84)            |
| Total Comprehensive Income for the period | 880.16                 | 7,328.35          | (64.69)                    | 30.00           | 220.00                     | 8,393.82           |
| Closing Balance                           | 880.16                 | 7,328.35          | (64.69)                    | 30.00           | 220.00                     | 8,393.82           |

(Amount in Lakhs)

| Particulars                               | (As at March 31, 2022) |                   |                            |                 |                            |                    |
|---|------------------------|-------------------|----------------------------|-----------------|----------------------------|--------------------|
|   | Share Premium          | Retained Earnings | Other Comprehensive Income | Capital Subsidy | Capital Redemption reserve | Total Other Equity |
| Opening Balance                           | 880.16                 | 5,252.44          | (5.29)                     | 30.00           | 220.00                     | 6,377.31           |
| Add: Profit for the Period                |                        | 847.48            | -                          |                 | -                          | 847.48             |
| Add: Other Comprehensive Income/(Loss)    |                        |                   | 15.29                      |                 |                            | 15.29              |
| Add: Adjustments made                     |                        | 5.85              | (5.85)                     |                 |                            |                    |
| Total Comprehensive Income for the period | 880.16                 | 6,105.77          | 4.15                       | 30.00           | 220.00                     | 7,240.08           |
| Closing Balance                           | 880.16                 | 6,105.77          | 4.15                       | 30.00           | 220.00                     | 7,240.08           |

#### Notes from 01 to 49 form the integral part of Financial statements

On behalf of the board of directors,

**Deen Dayal Daga**Chairman  
DIN: 00497806**Rajiv Daga**Managing Director  
DIN:01412917**Anil Sureka**

Chief Financial Officer

**Atul Krishna Pandey**Company Secretary  
M.No.: A47815**AS PER OUR REPORT OF EVEN DATE  
For GRV & PK**Chartered Accountants  
Firm Reg. No. 008099S**Kamal Kishore**(Partner)  
Membership No. 205819  
UDIN:23205819BGXZUA8438Place: Delhi  
Date: 17.05.2023

## Note: - 1 SIGNIFICANT ACCOUNTING POLICIES

### 1. Corporate Information:

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

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

- i) Wood Based Products: Plywood & Block Board.
- ii) Paper Based Products: Laminated Sheets(HPL)

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

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

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

The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act 2013 ("the Act"), as notified under the Companies (Indian Accounting Standard) Rules, 2015 and other relevant provision of the Act, to the extent applicable and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Standalone Financial Statement.

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

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

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

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

### 3. Accounting Estimates And Assumptions:

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

### 4. Equity

#### a) Ordinary Shares

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

#### b) Capital redemption reserve

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

#### c) Securities Premium

The amount received in excess of the par value of equity shares has been classified as securities premium.

#### d) Retained Earnings

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

### 5. Property, Plant and Equipment

- a) Property, Plant and Equipment are stated at original cost (net of tax/ duty credit availed) less accumulated depreciation and impairment losses except freehold land which is carried at cost. Cost includes cost of acquisition, construction and installation, taxes, duties, freight, other incidental expenses related to the acquisition, trial run expenses (net of revenue) and pre-operative expenses including attributable borrowing costs incurred during pre-operational period.
- b) Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can

be measured reliably. The carrying amount of any component as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

- c) Assets which are not ready for their intended use on reporting date are carried as capital work-in-progress at cost, comprising direct cost and related incidental expenses.
- d) On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment as at 1<sup>st</sup> April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.
- e) Property, Plant and Equipments including continuous process plants are depreciated and/or amortized on Straight line Method on the basis of their useful lives as notified in Schedule II to the Companies Act, 2013. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.
- f) Depreciation in respect of additions to assets has been charged on pro rata basis with reference to the period when the assets are ready for use. The provision for depreciation for multiple shifts has been made in respect of eligible assets on the basis of operation of respective units.
- g) Useful lives of the Property, Plant and Equipment as notified in Schedule II to the Companies Act, 2013 are as follows :
  - Buildings – 30 to 60 years
  - Plant and Equipments (Paper Division) - 15 years (Triple Shift)
  - Plant and Equipments (Other Division) - 15 years (Triple Shift)
  - Furniture and Fixtures - 10 years
  - Vehicles - 8 to 10 years
  - Office Equipments - 5 to 10 years
  - Computers – 3 years

## 6. Intangible Assets

- a) Intangible assets acquired by payment e.g., Goodwill, Trademark and Computer Software are disclosed at cost less amortization on a straight-line basis over its estimated useful life.
- b) Intangible assets are carried at cost, net of accumulated amortization and impairment loss, if any.
- c) On transition to Ind AS, the Company has elected to continue with the carrying value of all of its

intangible assets as at 1<sup>st</sup> April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets

- d) Intangible assets are amortised on straight-line method as follows :
  - Goodwill – 20 years
  - Computer Software – 3 years
  - Trademark- 10 years

## 7. Investment Property

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

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

## 8. Lease Property

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

## 9. Impairment of Assets

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

During the year Company has recognized ₹1.99 Lakhs as impairment loss on its assets as it has retired assets which were of no use and no realizable value.

**10. Inventories**

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

**11. Cash Flow Statement**

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

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

**12. Financial instruments:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**A. Financial Assets****(i) Initial Recognition and Measurement**

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

**(ii) Subsequent Measurement**

For purposes of subsequent measurement, financial assets are classified in following categories:

- (a) Debt instruments measured at amortized cost using the effective interest rate method and losses arising from impairment are

recognized in Profit and Loss if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

- (b) Equity instruments at fair value through other comprehensive income.
- (c) Equity instruments at fair value through profit or loss (FVTPL)
- (d) Equity Instruments in subsidiaries are carried at cost, in accordance with option available in Ind AS 27 "Separate Financial Statements".

**(iii) De-Recognition**

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

**(iv) Impairment of Financial Assets**

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

As a practical expedient, the Company uses historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates to determine impairment loss allowance on portfolio of its trade receivables.

**B. Financial Liabilities:**

**i) Classification as debt or equity** - Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

**ii) Equity instruments** - An equity instrument is any contract that evidences a residual interest in the

assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

**iii) Initial Recognition and Measurement:**

All Financials Liabilities are recognized net of transaction costs incurred.

**iv) Subsequent Measurement-**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate ("EIR") method. Gains and losses are recognised in profit or loss when the liabilities are derecognised through the EIR amortisation process.

**v) De-Recognition**

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

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

**13. Tax Asset**

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

**14. Revenue Recognition:**

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

**Sale of Goods:** The Company derives revenue principally from sale of Plywood, Laminates, Particle boards, Decorative Veneers and Flush Doors. Revenue from sales of goods is recognized on transfer of significant risks and rewards of ownership to the customers. Revenue shown in the Statement of Profit and Loss are inclusive of Excise Duty and the value of self-consumption, but excludes Goods & Service Tax(GST), inter-transfers, returns, trade discounts, other benefits passed to customers in kind, value added tax and Central sales tax.

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

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

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

**15. Government grants**

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual installments.

**16. Foreign Currency Transactions:**

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

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

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

**17. Employee Benefits:**

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

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

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

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

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

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

### 18. Borrowing Costs:

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds.

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

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

### 19. Accounting for Taxes on Income:

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

Current Income tax is computed using the tax effect accounting method, where taxes are accrued in the same period in which the related revenue and expenses

arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

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

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

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

### 20. Contingent Liabilities & Contingent Assets:

Contingent liabilities are not provided for but are disclosed by way of Notes on Accounts.

Contingent liabilities is disclosed in case of a present obligation from past events

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

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

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

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

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

An asset is current when it is

- (a) expected to be realised or intended to be sold or consumed in normal operating cycle
- (b) held primarily for the purpose of trading



- (c) expected to be realised within twelve months after the reporting period
- (d) Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- (e) All other assets are classified as non-current.

A liability is current when

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

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

## 22. Corporate social responsibility (CSR) Activity

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

## 23. Earnings Per Share

Earnings per share are calculated by dividing the net profit or loss before OCI for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## 24. Segment Reporting

The Company's operating business segments are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

## 25. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

### NOTE :- 2 Property Plant & Equipment

| PARTICULARS                        | GROSS BLOCK                    |                                   |   | DEPRECIATION                 |                  |                                      | NET BLOCK                        |                               |                            |                            |
|------------------------------------|--------------------------------|-----------------------------------|---|------------------------------|------------------|--------------------------------------|----------------------------------|-------------------------------|----------------------------|----------------------------|
|                                    | ORIGINAL COST AS ON 01.04.2022 | ADDITION 01.04.2022 to 31.03.2023 | SALES/ Adjustments 01.04.2022 to 31.03.2023 | TOTAL GROSS BLOCK 31.03.2023 | UP TO 01.04.2022 | FOR THE PRD 01.04.2022 to 31.03.2023 | DEPRECIATION ADJUSTMENT ON SALES | TOTAL DEPRECIATION 31.03.2023 | NET BLOCK AS ON 31.03.2023 | NET BLOCK AS ON 31.03.2022 |
|                                    |                                |                                   |   |                              |                  |                                      |                                  |                               |                            |                            |
| <b>A) TANGIBLE ASSETS:</b>         |                                |                                   |   |                              |                  |                                      |                                  |                               |                            |                            |
| FREE HOLD LAND                     | 1,509.76                       | 187.23                            | -   | 1,696.99                     | -                | -                                    | -                                | -                             | 1,696.99                   | 1,509.76                   |
| BUILDINGS                          | 2,047.60                       | 14.84                             | 0.49  | 2,061.95                     | 907.86           | 82.62                                | 0.24                             | 990.24                        | 1,071.71                   | 1,139.74                   |
| PLANT AND MACHINERIES              | 4,643.34                       | 70.19                             | 40.88                                       | 4,672.64                     | 3,160.75         | 245.53                               | 33.62                            | 3,372.66                      | 1,299.98                   | 1,482.59                   |
| ELECTRICAL EQUIPMENTS              | 4.01                           | -                                 | -   | 4.01                         | 0.54             | 0.13                                 | -                                | 0.67                          | 3.34                       | 3.47                       |
| FURNITURES AND FIXTURES            | 170.13                         | 14.32                             | -   | 184.45                       | 106.68           | 15.51                                | -                                | 122.20                        | 62.26                      | 63.45                      |
| OFFICE EQUIPMENTS                  | 42.45                          | 1.85                              | 0.20  | 44.10                        | 28.77            | 4.50                                 | 0.19                             | 33.09                         | 11.01                      | 13.67                      |
| COMPUTERS                          | 46.90                          | 8.29                              | 1.46  | 53.73                        | 39.80            | 3.43                                 | 1.40                             | 41.82                         | 11.91                      | 7.11                       |
| VEHICLES                           | 157.30                         | -                                 | 14.34                                       | 142.96                       | 108.63           | 15.32                                | 13.62                            | 110.33                        | 32.63                      | 48.67                      |
| <b>SUB TOTAL (A)</b>               | <b>8,621.49</b>                | <b>296.73</b>                     | <b>57.37</b>                                | <b>8,860.84</b>              | <b>4,354.02</b>  | <b>367.04</b>                        | <b>49.06</b>                     | <b>4,671.01</b>               | <b>4,189.83</b>            | <b>4,268.46</b>            |
| <b>B) INTANGIBLE ASSETS:</b>       |                                |                                   |   |                              |                  |                                      |                                  |                               |                            |                            |
| GOODWILL                           | 618.39                         | -                                 | -   | 618.39                       | 494.75           | 30.95                                | -                                | 525.70                        | 92.69                      | 123.64                     |
| PROGRAM AND APPLICATION            | 125.86                         | -                                 | -   | 125.86                       | 119.56           | -                                    | -                                | 119.56                        | 6.29                       | 6.29                       |
| TRADEMARK                          | 5.00                           | -                                 | -   | 5.00                         | 1.42             | 0.50                                 | -                                | 1.92                          | 3.08                       | 3.58                       |
| <b>SUB TOTAL (B)</b>               | <b>749.25</b>                  | <b>-</b>                          | <b>-</b>                                    | <b>749.25</b>                | <b>615.73</b>    | <b>31.45</b>                         | <b>-</b>                         | <b>647.18</b>                 | <b>102.07</b>              | <b>133.52</b>              |
| <b>C) CAPITAL WORK IN PROGRESS</b> |                                |                                   |   |                              |                  |                                      |                                  |                               |                            |                            |
| CAPITAL WIP                        | -                              | 5.70                              | -   | 5.70                         | -                | -                                    | -                                | -                             | 5.70                       | -                          |
| TOTAL                              | 9,370.73                       | 302.43                            | 57.37                                       | 9,615.79                     | 4,969.75         | 398.50                               | 49.06                            | 5,318.19                      | 4,297.60                   | 4,401.98                   |
| Previous year                      | 9,649.99                       | 129.51                            | 408.76                                      | 9,370.73                     | 4,863.65         | 402.86                               | 297.76                           | 4,969.75                      | 4,401.98                   | 4,786.34                   |
| WIP Ageing                         |                                |                                   |   |                              |                  |                                      |                                  |                               |                            |                            |

## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

| Particulars          | Less than 1 year | 1-2 Years | 2-3 years | 3 years & above | Total |
|----------------------|------------------|-----------|-----------|-----------------|-------|
| <b>As on 2022-23</b> |                  |           |           |                 |       |
| Plant & Machinery    | 5.70             | -         | -         | -               | 5.70  |

### Notes:-

- The title deeds of immovable properties are held in the name of the company, in case of land which are on long term lease from government, the lease agreement are duly executed in favor of company.
- For details assets pledged against borrowings Refer Note No. 15 & 18
- Company has not revalued its Property, Plant & Equipment & Intangible assets during the period ending 31<sup>st</sup> March, 2023 and also during the previous period ending 31<sup>st</sup> March, 2022.
- Intangible asset under development is Nil (PY Nil)
- During the year ended March 31, 2023, certain assets which were old and have no realisable value having Net book value of ₹1.99 Lakhs/-(PY ₹24.28 Lakhs/-) (Gross book value of ₹17.35 Lakhs/-(PY ₹314.30 Lakhs/-) were retired and shown as impairment loss in the books.

### Details of Assets Retired during the year are as follows

(Amount in Lakhs)

| Particulars               | Current Year |             | Previous year |              |
|---------------------------|--------------|-------------|---------------|--------------|
|                           | Gross Value  | Net Value   | Gross Value   | Net Value    |
| Building                  | 0.49         | 0.26        | 9.42          | 3.93         |
| Plant & machinery         | 15.20        | 1.66        | 135.10        | 6.60         |
| Computers                 | 1.46         | 0.06        | 57.25         | 2.89         |
| Office Equipment          | 0.20         | 0.01        | 31.76         | 1.45         |
| Furniture & Fixtures      | -            | -           | 70.49         | 8.89         |
| Programmes & applications | -            | -           | 10.29         | 0.51         |
| <b>Total</b>              | <b>17.35</b> | <b>1.99</b> | <b>314.30</b> | <b>24.28</b> |

### Note 3: Investments

| Particulars  | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|--|---------------------------------|---------------------------------|
| <b>a Investment in 100% Subsidiary Company</b>   |                                 |                                 |
| Archid Panel Industries Private Limited<br>(1,31,00,000 equity shares of ₹10/- face value (PY 1,00,000 equity shares))     | 2,590.00                        | 10.00                           |
| <b>b Investments in Mutual Fund</b>  |                                 |                                 |
| <b>(Carried at Fair value through other Comprehensive Income)</b>  |                                 |                                 |
| SBI Balanced Advantage Fund-Regular Growth<br>(C.Y- NIL (PY 6,57,419,886 units having NAV value as on 31.03.2022 ₹10.3046) | -                               | 67.00                           |
| Less:Dimunision/(Increase) in Value through OCI  | -                               | (0.74)                          |
|  | -                               | <b>67.74</b>                    |
|  | <b>2,590.00</b>                 | <b>77.74</b>                    |

### Note 4: Loans & Advances

| Particulars                       | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|-----------------------------------|---------------------------------|---------------------------------|
| <b>Unsecured, Considered Good</b> |                                 |                                 |
| Loan to Subsidiary Company        | 518.20                          | 8.94                            |
|                                   | <b>518.20</b>                   | <b>8.94</b>                     |

## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note 5: Other Non-Current Financial Assets

| Particulars                           | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---------------------------------------|---------------------------------|---------------------------------|
| i) Security Deposits                  | 157.20                          | 175.89                          |
| ii) Security Deposits - Related Party | 27.45                           | 225.00                          |
| iii) Balance With Banks               |                                 |                                 |
| - Bank Deposit for Margin Money       | 11.80                           | 46.94                           |
| (Maturity period more than 12 months) |                                 |                                 |
|                                       | <b>196.45</b>                   | <b>447.82</b>                   |

### Note 6: Deferred Tax Assets

| Particulars  | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|--|---------------------------------|---------------------------------|
| Opening deferred tax asset   | 146.91                          | 114.99                          |
| Deferred tax (Liability)/Asset arising in current year on account of timing difference |                                 |                                 |
| 1. Depreciation  | -                               | 21.10                           |
| 2. Gratuity  | 23.68                           | 8.33                            |
| 3. Leave Encashment  | 3.72                            | 5.51                            |
| 4. Provisions  | (11.06)                         | (3.02)                          |
|  | 16.34                           | 31.92                           |
|  | <b>163.25</b>                   | <b>146.91</b>                   |

### Note 7: Other Non-Current Assets

| Particulars                                   | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---|---------------------------------|---------------------------------|
| <b>a Capital Advances</b>                     |                                 |                                 |
| For Plant & Machinery                         | 2.95                            | 0.74                            |
|   | <b>2.95</b>                     | <b>0.74</b>                     |
| <b>b Advances Other then Capital Advances</b> |                                 |                                 |
| i) Other Advances                             |                                 |                                 |
| - Balance With Revenue Authorities            | 0.07                            | 7.14                            |
| - Income Tax Refund receivable                | 108.14                          | 108.14                          |
|   | <b>108.21</b>                   | <b>115.28</b>                   |
| <b>Total Other Non Current Assets</b>         | <b>111.16</b>                   | <b>116.02</b>                   |

### Note 8: Inventories

| Particulars                                | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|--|---------------------------------|---------------------------------|
| (At Lower of cost or Net realisable value) |                                 |                                 |
| Raw Materials                              | 1,892.74                        | 1,757.18                        |
| Finished Goods                             | 2,236.78                        | 2,711.88                        |
| Stock in trade                             | 628.94                          | 329.51                          |
| Work in Progress                           | 17.90                           | 60.41                           |
| Stores, Spares & Consumption               | 294.83                          | 262.11                          |
|  | <b>5,071.19</b>                 | <b>5,121.10</b>                 |

Note: Inventories are pledged against the cash credit limit obtained by the company.

## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note 9: Trade Receivables

| Particulars                      | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|----------------------------------|---------------------------------|---------------------------------|
| <b>Unsecured</b>                 |                                 |                                 |
| -Considered Good*                | 9,253.95                        | 8,205.46                        |
| -Significant increase in risk    | 57.22                           | 126.01                          |
| -Credit Impaired                 | -                               | -                               |
| Less: Allowances for Credit loss | 107.02                          | 150.98                          |
|                                  | <b>9,204.16</b>                 | <b>8,180.50</b>                 |

\*(includes Related Party ₹6.62 Lakhs /- (PY 11.90 Lakhs/-))

1. The above outstanding is from date of transaction of sales.
2. Trade receivables are pledged against the cash credit limit obtained by the Company.
3. Trade receivables are non-interest bearing and are generally on terms of 0-90 days.
4. No debts are due from Directors or other officers of the Company.

| Particulars                      | Less than 6 months | 6months to 1 year | 1-2 years     | 2-3 years   | More than 3 years | Total as on 31.03.2023 |
|----------------------------------|--------------------|-------------------|---------------|-------------|-------------------|------------------------|
| <b>a Unsecured ; Undisputed</b>  |                    |                   |               |             |                   |                        |
| -Considered Good*                | 8,853.76           | 266.40            | 128.71        | 0.62        | 1.97              | 9,251.45               |
| -Significant increase in risk    | -                  | 0.66              | 8.82          | 1.75        | 12.21             | 23.44                  |
| -Credit Impaired                 | -                  | -                 | -             | -           | -                 | -                      |
| <b>b Unsecured ; Disputed</b>    |                    |                   |               |             |                   |                        |
| -Considered Good                 | -                  | -                 | -             | -           | 2.50              | 2.50                   |
| -Significant increase in risk    | -                  | -                 | 4.83          | 6.64        | 22.30             | 33.78                  |
| -Credit Impaired                 | -                  | -                 | -             | -           | -                 | -                      |
| Less: Allowances for Credit loss |                    |                   |               |             |                   | 107.02                 |
|                                  | <b>8,853.76</b>    | <b>267.06</b>     | <b>142.37</b> | <b>9.01</b> | <b>38.98</b>      | <b>9,204.16</b>        |

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

## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note 10: Cash & Cash Equivalents

| Particulars  | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|--|---------------------------------|---------------------------------|
| <b>a Balances with Banks</b>                                     |                                 |                                 |
| - Balances in current accounts                                   | -                               | -                               |
| - Balances in Fixed Deposit -<br>Maturity of less than 12 months | 23.13                           | 400.00                          |
| <b>b Cash in hand</b>  | 8.28                            | 4.41                            |
|  | <b>31.41</b>                    | <b>404.41</b>                   |

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

| Particulars                                    | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|--|---------------------------------|---------------------------------|
| Deposit for Margin Money - less than 12 months | 48.18                           | 68.61                           |
|  | <b>48.18</b>                    | <b>68.61</b>                    |

### Note 12: Other Current Assets

| Particulars  | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|--|---------------------------------|---------------------------------|
| <b>a Advances to related parties</b>                     |                                 |                                 |
| - Assam Timbers Pvt. Ltd.                                | -                               | 77.32                           |
| <b>b Others</b>  |                                 |                                 |
| Prepaid expenses   | 94.12                           | 69.60                           |
| Balance With Revenue Authorities                         | 115.93                          | 100.29                          |
| Advance for Supply of Goods/Services                     | 69.98                           | 56.11                           |
| Other Receivable*  | -                               | 396.04                          |
| *(includes insurance receivable Nil (P.Y 394.99 Lakhs))  |                                 |                                 |
| Other Advances<br>(includes Related Party Nil (P.Y Nil)) | 331.35                          | 255.84                          |
|  | <b>611.37</b>                   | <b>955.19</b>                   |

### Note 13: Equity Share Capital

| Particulars  | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|--|---------------------------------|---------------------------------|
| <b>AUTHORIZED</b>  |                                 |                                 |
| 2,50,00,000 Equity Shares of ₹10.00 each<br>(P.Y 2,50,00,000 Equity Shares of ₹10 each)    | 2,500.00                        | 2,500.00                        |
| <b>ISSUED, SUBSCRIBED, AND PAID UP</b>   |                                 |                                 |
| 1,98,65,000 Equity Shares of ₹10.00 each<br>(Previous year 1,98,65,000 shares of ₹10 each) | 1,986.50                        | 1,986.50                        |
|  | <b>1,986.50</b>                 | <b>1,986.50</b>                 |

## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

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

| Name of Shareholder               | As at 31.03.2023 |             | As at 31.03.2022 |             |
|-----------------------------------|------------------|-------------|------------------|-------------|
|                                   | No of Shares     | % of Shares | No of Shares     | % of Shares |
| Assam Timber Products Pvt Ltd     | 22,55,786        | 11.36       | 22,55,786        | 11.36       |
| Vanraj Suppliers Pvt Ltd          | 39,43,509        | 19.85       | 39,43,509        | 19.85       |
| Ravi Marketing & Services Pvt Ltd | 28,27,850        | 14.24       | 28,27,850        | 14.24       |
| The Mysore Chipboards Limited     | 17,97,431        | 9.05        | 17,97,431        | 9.05        |

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

| Particular  | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| Outstanding as at beginning of the reporting period | 1,98,65,000      | 1,98,65,000      |
| Add: Shares issued during the year                  | -                | -                |
| Less: Shares extinguished on buy-back               | -                | -                |
| Outstanding as at end of the Reporting period       | 1,98,65,000      | 1,98,65,000      |

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

### d. Disclosure of Shareholding of Promoters

| Name of Shareholder               | As at 31.03.2023              |              | % change during the year | As at 31.03.2022              |              |
|-----------------------------------|-------------------------------|--------------|--------------------------|-------------------------------|--------------|
|                                   | No of Shares as at 31.03.2023 | % of Shares  |                          | No of Shares as at 31.03.2022 | % of Shares  |
| Shyam Daga                        | 5,73,685                      | 2.89         | -                        | 5,73,685                      | 2.89         |
| Sangeeta Bharadia                 | 4,100                         | 0.02         | -                        | 4,100                         | 0.02         |
| Deen Dayal Daga                   | 7,71,620                      | 3.88         | -                        | 7,71,620                      | 3.88         |
| Usha Daga                         | 7,60,300                      | 3.83         | -                        | 7,60,300                      | 3.83         |
| Deen Dayal Daga (HUF)             | 20,000                        | 0.10         | -                        | 20,000                        | 0.10         |
| Rajiv Daga                        | 6,51,342                      | 3.28         | -                        | 6,51,342                      | 3.28         |
| Assam Timber Products Pvt Ltd     | 22,55,786                     | 11.36        | -                        | 22,55,786                     | 11.36        |
| Vanraj Suppliers Pvt Ltd          | 39,43,509                     | 19.85        | -                        | 39,43,509                     | 19.85        |
| Ravi Marketing & Services Pvt Ltd | 28,27,850                     | 14.24        | -                        | 28,27,850                     | 14.24        |
| The Mysore Chipboards Limited     | 17,97,431                     | 9.05         | -                        | 17,97,431                     | 9.05         |
| Shree Shyam Tea Pvt Ltd           | 2,77,900                      | 1.40         | -                        | 2,77,900                      | 1.40         |
|                                   | <b>1,38,83,523</b>            | <b>69.89</b> |                          | <b>1,38,83,523</b>            | <b>69.89</b> |

### e. Equity shares movement during the 5 years preceding March 31, 2023

#### Equity shares extinguished on buy-back

In the Financial Year 2020-2021, the Company has Bought back its 22,00,000 equity shares @₹37/- per share amounting to ₹8.14 Crores being 9.97% of the total equity share. The equity shares bought back were extinguished on March 17, 2021.

The Company does not have any Holding/ Ultimate Holding Company. As such, no shares are held by them or their Subsidiaries/ Associates.

There are NIL ( Previous year NIL) shares reserved for issue under option and contracts/commitment for the sale of shares/ disinvestment.

## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note 14: Other Equity

| Particulars                          | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|--------------------------------------|---------------------------------|---------------------------------|
| Share Premium                        | 880.16                          | 880.16                          |
| Capital Subsidy                      | 30.00                           | 30.00                           |
| Capital Redemption Reserve           | 220.00                          | 220.00                          |
| Retained Earnings                    |                                 |                                 |
| Balance at the beginning of the year | 6,105.77                        | 5,252.44                        |
| Profit for the Year                  | 1,222.59                        | 847.48                          |
| Balance at the end of the year       | 7,328.35                        | 6,099.92                        |
| Other Comprehensive Income           |                                 |                                 |
| Balance at the beginning of the year | 4.15                            | (5.29)                          |
| Other Comprehensive Income/(Loss)    | (68.84)                         | 15.29                           |
| Balance at the end of the year       | (64.69)                         | 9.99                            |
| <b>Total</b>                         | <b>8,393.82</b>                 | <b>7,240.08</b>                 |

**Share Premium :-** This Share Premium had been created on issue of shares by way of public issue and right issue.

**Capital Subsidy :-** Subsidy received in the Financial year 2011-12 towards setting up of the Laminates division.

**Capital Redemption Reserve:-** This reserve was created upon buy back of equity shares in FY 2020-21

**Retained Earnings:** Amount of retained earnings represents accumulated profit and losses of the Company as on reporting date. Such profits and losses are after adjustment of payment of dividend, transfer to any reserves as statutorily required and adjustment for remeasurement gain loss on defined benefit plan.

### Note 15: Financial Non-Current Borrowings

| Particulars                   | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|-------------------------------|---------------------------------|---------------------------------|
| <b>a) Secured</b>             |                                 |                                 |
| Term Loans - Vehicle*         | 2.82                            | 6.52                            |
| Term Loans - COVID 19 Demand# | -                               | 65.48                           |
| <b>Total</b>                  | <b>2.82</b>                     | <b>72.00</b>                    |

| Particulars                                | Final repayment | As at 31.03.2023 | As at 31.03.2022 |
|--|-----------------|------------------|------------------|
| Term Loans - Vehicle                       |                 |                  |                  |
| - HDFC Bank Ltd.                           | Sep-23          | 0.79             | 2.27             |
| - HDFC Bank Ltd.                           | Jan-24          | 2.02             | 4.25             |
| Term Loans - COVID 19 Demand               |                 |                  |                  |
| - State Bank of India                      | Jun-22          | -                | 65.48            |
|  |                 | 2.82             | 72.00            |
| Less: Current maturities of long term debt |                 | 2.82             | 69.19            |
|  |                 | -                | 2.82             |
|  |                 | -                | <b>2.82</b>      |

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

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



## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note 16: Provisions

| Particulars   | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---|---------------------------------|---------------------------------|
| <b>Provision for Employee Benefits</b>                        |                                 |                                 |
| Provision for Gratuity  | 474.54                          | 380.45                          |
| Less: Short Term Provision                                    | 94.77                           | 99.83                           |
| (Includes Related Party ₹84.26 Lakhs/-(P.Y 62,62 Lakhs/-))    | 379.77                          | 280.61                          |
| Provision for Leave Encashment                                | 299.78                          | 285.00                          |
| Less: Short Term Provision                                    | 80.35                           | 91.24                           |
| (Includes Related Party ₹ 126.28 Lakhs/-(P.Y 128.59 Lakhs/-)) | 219.43                          | 193.76                          |
|   | <b>599.20</b>                   | <b>474.37</b>                   |

### Note17: Other Non Current Liabilities

| Particulars                  | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|------------------------------|---------------------------------|---------------------------------|
| <b>Government Subsidy</b>    |                                 |                                 |
| Received during the year     | 329.05                          | -                               |
| Less: Depreciation withdrawn | 169.71                          | -                               |
|                              | <b>159.33</b>                   | -                               |

During the year Asset related government grant received on Plant & Machinery and the same has been accounted for as deferred revenue and depreciation withdrawn proportionately recognised in Statement of Profit and Loss.

## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note 18: Financial Current Borrowings

| Particulars                | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|----------------------------|---------------------------------|---------------------------------|
| <b>a. Secured</b>          |                                 |                                 |
| <b>Repayable on demand</b> |                                 |                                 |
| Bank overdraft/Cash Credit | 6,119.82                        | 5,305.50                        |
|                            | <b>6,119.82</b>                 | <b>5,305.50</b>                 |

| Particulars          | As at 31.03.2023 | As at 31.03.2022 |
|----------------------|------------------|------------------|
| State Bank Of India* | 3,398.16         | 3,400.63         |
| HDFC Bank#           | 2,721.66         | 1,904.86         |

(\*Working capital loan from SBI Bank of ₹4000 Lakhs is secured by 1<sup>st</sup> Pari Passu charge on entire current assets Stock and book debts of the company both present and future and collateral charge 1<sup>st</sup> Pari Passu on fixed assets both present and future of the company and personal guarantee of promoter directors.)

(#Working capital loan from HDFC Bank of ₹3000 Lakhs is Secured by 1<sup>st</sup> Pari Passu charge on entire Current assets of the company both present and future and collateral security 1<sup>st</sup> Pari Passu on fixed assets both present and future of the company and personal guarantee of 2 Promoter Directors.)

| Particulars   | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---|---------------------------------|---------------------------------|
| <b>b. Secured</b>   |                                 |                                 |
| <b>Current Maturities of long term debt</b>                                       |                                 |                                 |
| - Term Loan   | 2.82                            | 69.19                           |
| <b>c. Unsecured</b>   |                                 |                                 |
| From Body Corporate (Related party)   | 220.00                          | -                               |
| Assam Timber Products Private Limited<br>(Repayable on demand, Interest @ 9% p.a) |                                 |                                 |
|   | <b>222.82</b>                   | <b>69.19</b>                    |
|   | <b>6,342.64</b>                 | <b>5,374.68</b>                 |

Borrowings secured against current assets -The Company has filed quarterly returns or statements with the banks in lieu of the sanctioned working capital facilities (Refer note no 43)

### Note 19: Trade Payables\*

| Particulars                         | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|-------------------------------------|---------------------------------|---------------------------------|
| - Undisputed Micro,Small & Medium   | 1,638.15                        | 752.01                          |
| - Disputed Micro,Small & Medium     | -                               | 5.75                            |
| - Undisputed Creditors for Goods    | 1,968.59                        | 2,633.81                        |
| - Undisputed Creditors for Services | 412.68                          | 366.17                          |
|                                     | <b>4,019.43</b>                 | <b>3,757.74</b>                 |

\* The above payable is from the date of purchase transactions

\* Trade payables & acceptances are non interest bearing

| Trade Payables                      | Less than 1 year | 1-2 years   | 2-3 years | More than 3 years | Total as on 31.03.2023 |
|-------------------------------------|------------------|-------------|-----------|-------------------|------------------------|
| -Undisputed Micro,Small&Medium      | 1,638.15         | -           | -         | -                 | 1,638.15               |
| - Disputed Micro,Small & Medium     |                  |             |           |                   | -                      |
| - Undisputed Creditors for Goods    | 1,968.59         | -           | -         | -                 | 1,968.59               |
| - Undisputed Creditors for Services | 412.64           | 0.04        |           |                   | 412.68                 |
|                                     | <b>4,019.38</b>  | <b>0.04</b> | -         | -                 | <b>4,019.43</b>        |

## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

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

### Note 20: Other Financial Liabilities

| Particulars                     | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---------------------------------|---------------------------------|---------------------------------|
| Statutory Payables              | 267.16                          | 225.64                          |
| Other Payables*                 | 224.41                          | 126.56                          |
| *(It includes expenses payable) |                                 |                                 |
|                                 | <b>491.57</b>                   | <b>352.19</b>                   |

### Note 21: Current Provisions

| Particulars                               | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---|---------------------------------|---------------------------------|
| <b>a. Provision for Employee Benefits</b> |                                 |                                 |
| Provision for gratuity                    | 94.77                           | 99.83                           |
| Provision for leave encashment            | 80.35                           | 91.24                           |
| Other Employee Provisions                 | 262.72                          | 255.82                          |
| (Includes Related Party NIL(P.Y Nil))     | <b>437.84</b>                   | <b>446.89</b>                   |
| <b>b. Others</b>                          |                                 |                                 |
| Cash Discount Payable                     | 71.71                           | 31.14                           |
| Other Expenses Payable                    | 80.03                           | 82.53                           |
| Quality Complaint Payable                 | 15.40                           | 9.26                            |
| Provision for Scheme                      | 63.87                           | 39.02                           |
|   | <b>231.01</b>                   | <b>161.95</b>                   |
|   | <b>668.85</b>                   | <b>608.85</b>                   |

### Note 22: Other Current Liabilities

| Particulars   | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---|---------------------------------|---------------------------------|
| <b>a Contract liabilities</b>                           |                                 |                                 |
| Advance from customers                                  | 77.59                           | 86.47                           |
| (Includes Related Party ₹40.16 Lakhs/-(P.Y 9.88 Lakhs)) | <b>77.59</b>                    | <b>86.47</b>                    |
| <b>b Others</b>   |                                 |                                 |
| Security Deposit from Vendors                           | 45.30                           | 13.05                           |
|   | <b>45.30</b>                    | <b>13.05</b>                    |
|   | <b>122.89</b>                   | <b>99.52</b>                    |

## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note 23: Current Income Tax Liabilities(Net)

| Particulars               | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---------------------------|---------------------------------|---------------------------------|
| Provision for Tax         | 422.00                          | 345.00                          |
| (Less) Advance Tax        | (350.00)                        | (300.00)                        |
| (Less) TDS/TCS Receivable | (13.28)                         | (12.50)                         |
|                           | <b>58.72</b>                    | <b>32.50</b>                    |

### Reconciliation of estimated Income tax expenses at Indian Statutory Income tax rate to Income tax expenses reported in the Statement of Profit & Loss

| Particulars   | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---|---------------------------------|---------------------------------|
| Accounting profit before tax                                  | 1,651.15                        | 1,163.48                        |
| At Statutory income tax rate                                  | 25.17%                          | 25.17%                          |
| Estimated tax expenses  | 415.56                          | 292.83                          |
| Expenses not deductible for tax purpose                       | (9.89)                          | 20.26                           |
| Deferred tax  | 16.34                           | 31.92                           |
|   |                                 |                                 |
| <b>Total tax reported in the statement of profit and loss</b> | <b>422.00</b>                   | <b>345.00</b>                   |

### Note 24: Revenue From Operations

| Particulars                           | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---------------------------------------|---------------------------------|---------------------------------|
| <b>Sale of Products</b>               |                                 |                                 |
| Manufactured Goods                    | 26,599.21                       | 22,362.02                       |
| Trading Goods                         | 14,746.17                       | 8,141.57                        |
| Other sales                           | 22.79                           | 64.45                           |
|                                       | <b>41,368.16</b>                | <b>30,568.03</b>                |
| <b>Other Operating Revenue</b>        |                                 |                                 |
| Royalty on use of brand name          | 82.03                           | 59.88                           |
| Export Incentive                      | -                               | 0.41                            |
|                                       | <b>82.03</b>                    | <b>60.30</b>                    |
|                                       | <b>41,450.18</b>                | <b>30,628.33</b>                |
| <b>Particular of sale of products</b> |                                 |                                 |
| Decorative Laminate                   | 15,647.38                       | 13,399.49                       |
| Plywood/Blockboard/Flush Doors        | 25,375.20                       | 17,089.90                       |
| MDF Board                             | 314.65                          | -                               |
| Others                                | 30.93                           | 78.64                           |
|                                       | <b>41,368.16</b>                | <b>30,568.03</b>                |

## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note 25: Other Income

| Particulars                                | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|--|---------------------------------|---------------------------------|
| Interest Received                          | 7.86                            | 9.45                            |
| Dividend Received                          | -                               | 0.00                            |
| Foreign exchange Gain                      | 31.07                           | 14.69                           |
| Balance written back                       | 10.69                           | 36.24                           |
| Profit on Sale of Investment               | 0.32                            | 3.36                            |
| Prior period Income                        | -                               | 5.31                            |
| Depreciation withdrawn on Government grant | 169.71                          | -                               |
| Other Non Operating Income                 | 5.03                            | 20.48                           |
|  | <b>224.69</b>                   | <b>89.53</b>                    |

### Note 26: Cost of Material Consumed

| Particulars           | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|-----------------------|---------------------------------|---------------------------------|
| Raw Material Consumed |                                 |                                 |
| Opening Stock         | 1,757.18                        | 1,855.68                        |
| Add: Purchases        | 15,164.62                       | 13,450.14                       |
| Less: Closing Stock   | 1,892.74                        | 1,757.18                        |
|                       | <b>15,029.06</b>                | <b>13,548.64</b>                |

| Imported and Indigenous Raw Materials Consumed: | Year Ended 31.03.2023 |                 | Year Ended 31.03.2022 |                 |
|---|-----------------------|-----------------|-----------------------|-----------------|
|   | %                     | Amount in Lakhs | %                     | Amount in Lakhs |
| Imported  | 8.33%                 | 1,252.35        | 7.08%                 | 959.76          |
| Indigenous                                      | 91.67%                | 13,776.70       | 92.92%                | 12,588.87       |
|   | 100.00%               | 15,029.06       | 100.00%               | 13,548.64       |

| Break up of Raw Materials Consumed (As certified by Management) | Year Ended 31.03.2023 |                 | Year Ended 31.03.2022 |                 |
|---|-----------------------|-----------------|-----------------------|-----------------|
|   | Qty                   | Amount in Lakhs | Qty                   | Amount in Lakhs |
| Paper in Kgs  | 82,04,931             | 4,982.36        | 84,65,015             | 4,738.59        |
| Timber in Cbm   | 25,003                | 2,792.98        | 33,005                | 2,730.13        |
| Veener(incl own production) in sq. mtr                          | 29,42,696             | 585.77          | 26,73,941             | 578.38          |
| Core Veneer in Cbm  | 7,900                 | 1,209.31        | 1,454                 | 195.46          |
| Chemicals in Kgs  | 80,14,414             | 4,735.81        | 79,29,659             | 4,833.72        |
| Others  |                       | 722.83          |                       | 472.36          |
|   | 1,91,94,944           | 15,029.06       | 1,91,03,074           | 13,548.64       |

### Note 27: Purchase of Stock in trade

| Particulars                               | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---|---------------------------------|---------------------------------|
| Plywood, Block Board, Flush Doors and MDF | 12,690.68                       | 6,707.17                        |
|   | <b>12,690.68</b>                | <b>6,707.17</b>                 |

## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note 28: Changes in Inventory of Finished Goods, Work in process & Stock in trade

| Particulars                           | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---------------------------------------|---------------------------------|---------------------------------|
| <b>Inventories (at close)</b>         |                                 |                                 |
| Finished Goods                        | 2,236.78                        | 2,711.88                        |
| WIP                                   | 17.90                           | 60.41                           |
| Stock-in-Trade                        | 628.94                          | 329.51                          |
| <b>Inventories (at commencement)</b>  |                                 |                                 |
| Finished Goods                        | 2,711.88                        | 2,037.33                        |
| WIP                                   | 60.41                           | 25.31                           |
| Stock-in-Trade                        | 329.51                          | 388.68                          |
| <b>(Increase) / Decrease in Stock</b> | <b>218.19</b>                   | <b>(650.48)</b>                 |
| <b>(Increase) / Decrease in Stock</b> | <b>218.19</b>                   | <b>(650.48)</b>                 |

### Note 29: Employee Benefit Expenses

| Particulars  | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|--|---------------------------------|---------------------------------|
| Salaries and Wages   | 2,441.27                        | 2,222.77                        |
| Director Remuneration  | 110.95                          | 120.70                          |
| Contribution to and provisions for provident and other funds | 302.21                          | 291.07                          |
| Staff Welfare Expenses                                       | 19.81                           | 14.88                           |
| Employee Insurance Expense                                   | 10.87                           | 12.73                           |
|  | <b>2,885.11</b>                 | <b>2,662.17</b>                 |

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

| Particulars     | Year ended March<br>31 <sup>st</sup> 2023 | Year ended March<br>31 <sup>st</sup> 2022 |
|-----------------|---|---|
| Salary & Perks  | 106.80                                    | 115.20                                    |
| Sitting Fees    | 4.15                                      | 5.10                                      |
| Club Membership | -   | 0.40                                      |

### Note 30: Finance cost

| Particulars                                     | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---|---------------------------------|---------------------------------|
| Interest on Term Loans                          | 0.52                            | 31.08                           |
| Interest on Working Capital borrowings          | 487.24                          | 354.57                          |
| Interest on Unsecured Loan                      | 20.52                           | -                               |
| Other Interest                                  | 1.93                            | 1.10                            |
| Interest on statutory Liabilities               | 20.93                           | 16.35                           |
| Bank charges, L C Charges & Discounting Charges | 12.73                           | 31.40                           |
| Processing Charges                              | 32.44                           | 33.08                           |
|   | <b>576.32</b>                   | <b>467.58</b>                   |

## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note 31: Other Expenses

| Particulars                     | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---------------------------------|---------------------------------|---------------------------------|
| <b>a Manufacturing Expenses</b> |                                 |                                 |
| Stores and Spares consumed *    | 558.40                          | 468.39                          |
| Packing Charges                 | 203.68                          | 234.72                          |
| Processing Charges              | 763.29                          | 661.35                          |
| Power and fuel consumed         | 1,123.97                        | 999.50                          |
| Repairs to Plant and Machinery  | 38.90                           | 18.02                           |
| Repairs to Building             | 3.77                            | 3.03                            |
| Repairs to Others               | 4.00                            | 4.26                            |
|                                 | <b>2,696.01</b>                 | <b>2,389.25</b>                 |

#### \*Imported and Indigenous Stores and Spare Parts Consumed:

| Particulars | Year Ended 31.03.2023 |                 | Year Ended 31.03.2022 |                 |
|-------------|-----------------------|-----------------|-----------------------|-----------------|
|             | %                     | Amount in Lakhs | %                     | Amount in Lakhs |
| Imported    | 0.46%                 | 2.55            | 0.00%                 | -               |
| Indigenous  | 99.54%                | 555.85          | 100.00%               | 468.39          |
|             | 100.00%               | 558.40          | 100.00%               | 468.39          |

| Particulars   | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---|---------------------------------|---------------------------------|
| <b>b Selling, Distribution, Administrative and Other Expenses</b> |                                 |                                 |
| Rent  | 203.42                          | 204.06                          |
| Rates and Taxes   | 114.00                          | 32.46                           |
| Printing and Stationery   | 8.40                            | 4.74                            |
| Postage, Telephone and Telegram                                   | 43.02                           | 36.06                           |
| Insurance   | 73.17                           | 57.89                           |
| Legal, License and Professional Fees                              | 138.60                          | 131.61                          |
| Repairs & Maintenance Expenses                                    | 75.54                           | 70.76                           |
| Auditors Remuneration   | 5.00                            | 5.23                            |
| Travelling and conveyance   | 270.93                          | 207.91                          |
| Commission on sales and samples                                   | 182.91                          | 125.92                          |
| Sample Folders Sales  | 377.12                          | 246.51                          |
| Freight, forwarding and other expenses                            | 1,993.00                        | 1,572.67                        |
| Vehicle Running Expenses  | 18.18                           | 11.95                           |
| Sales Promotion and Advertisement Expenses                        | 1,333.69                        | 752.93                          |
| Discount & Rebates  | 436.48                          | 310.95                          |
| Claims and Bad debts written off                                  | 158.42                          | 101.98                          |
| Less: Reversal of Provision for Bad Debts                         | 52.53                           | 105.90                          |
| CSR Discharged  | 16.10                           | 13.22                           |
| Other Expenses  | 129.48                          | 114.33                          |
| Impairment Loss on Fixed Asset                                    | 1.99                            | 24.28                           |
| Loss on sale of Fixed Assets                                      | 2.30                            | 1.73                            |
| Prior Period Expenses   | 0.63                            | -                               |
|   | <b>5,529.86</b>                 | <b>4,027.20</b>                 |
| Grand Total(a + b)  | <b>8,225.87</b>                 | <b>6,416.45</b>                 |

## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note 32: Auditors Remuneration

| Particulars            | Year Ended<br>31.03.2023 | Year Ended<br>31.03.2022 |
|------------------------|--------------------------|--------------------------|
| a) Statutory Audit Fee | 4.00                     | 4.00                     |
| b) Tax Audit Fee       | 1.00                     | 1.00                     |
| c) For others Fee      | -                        | 0.23                     |
| <b>Total</b>           | <b>5.00</b>              | <b>5.23</b>              |

### Note 33: Value of Imports on CIF basis in respect of:

| Particulars                | Year Ended 31.03.2023 |                 | Year Ended 31.03.2022 |                 |
|----------------------------|-----------------------|-----------------|-----------------------|-----------------|
|                            | %                     | Amount in Lakhs | %                     | Amount in Lakhs |
| i) Raw Materials           | 97.74%                | 1,203.97        | 94.16%                | 1,114.72        |
| ii) Stores and spare parts | 0.18%                 | 2.24            | 0.10%                 | 1.18            |
| iii) Capital Goods         | 2.08%                 | 25.59           | 5.74%                 | 67.99           |
| <b>Total</b>               | <b>100.00%</b>        | <b>1,231.80</b> | <b>100.00%</b>        | <b>1,183.90</b> |

### Note 34a: Expenditure in Foreign Currency

| Particulars                 | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|-----------------------------|---------------------------------|---------------------------------|
| a) Foreign travelling       | 0.82                            | -                               |
| b) Sales Promotion Expenses | 0.92                            | -                               |
| c) Import of goods          | 1,153.70                        | 1,183.90                        |
|                             | <b>1,155.43</b>                 | <b>1,183.90</b>                 |

### Note 34b: Earnings in Foreign Currency

| Particulars                | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|----------------------------|---------------------------------|---------------------------------|
| Export of goods(FOB value) | 1,166.06                        | 897.93                          |
|                            | <b>1,166.06</b>                 | <b>897.93</b>                   |

### Note 35: Contingent Liabilities & Commitments(To the extent not provided for)

| Particulars   | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---|---------------------------------|---------------------------------|
| Excise Duty   | 81.02                           | 81.02                           |
| Income tax  | 80.33                           | 728.86                          |
| Guarantees given by the bank on behalf of the Company | 33.99                           | 149.97                          |
| Guarantees given to Bank by the Company.              | 11,530.00                       | 2,500.00                        |
| Vendor  | 27.29                           | 27.29                           |



## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note: - 36: Segment Reporting

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

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

- i) Wood based products: Plywood, Block Board
- ii) Paper based products: Laminated Sheets (HPL).

The segment information has been prepared in conformity with the Accounting Policies for preparing and presenting the financial statements of the Company.

Segment revenue and results includes manufacturing as well as trading activities for the same segment product. Segment current assets and liabilities are taken on the basis of the turnover of the segment.

The following table presents the information relating to profit, assets and liabilities of the operating segment. (Primary Segment) of the Company.

The Unallocated Segment includes general corporate income and expense items, which are not allocated to any business segment.

(Amount in Lakhs)

| Particulars                                     | Wood Based          |                     | Paper Based         |                     | TOTAL               |                     |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|   | As at<br>31.03.2023 | As at<br>31.03.2022 | As at<br>31.03.2023 | As at<br>31.03.2022 | As at<br>31.03.2023 | As at<br>31.03.2022 |
| External Sales                                  | 25,720.77           | 17,139.72           | 15,647.38           | 13,428.32           | 41,368.16           | 30,568.03           |
| Other Sales                                     | -                   | -                   | -                   | -                   | -                   | -                   |
| Royalty Income                                  | 82.03               | 59.88               | -                   | -                   | 82.03               | 59.88               |
| Other Operating Income                          |                     |                     |                     |                     | -                   | 0.41                |
| Total Revenue                                   | 25,802.80           | 17,199.60           | 15,647.38           | 13,428.32           | 41,450.18           | 30,628.33           |
| <b>RESULTS</b>                                  |                     |                     |                     |                     |                     |                     |
| Segment Results                                 | 3,954.38            | 4,875.05            | 3,652.92            | 3,773.30            | 7,607.31            | 8,648.35            |
| Interest  |                     |                     |                     |                     | 576.32              | 467.58              |
| Other Unallocable Income                        |                     |                     |                     |                     | 306.72              | 149.83              |
| Other Unallocable Expenditure                   |                     |                     |                     |                     | 5,686.55            | 7,167.12            |
| Provision for Taxation                          |                     |                     |                     |                     | 428.56              | 316.00              |
| Net Profit after tax                            |                     |                     |                     |                     | 1,222.59            | 847.48              |
| <b>OTHER INFORMATION</b>                        |                     |                     |                     |                     |                     |                     |
| <b>Assets</b>                                   |                     |                     |                     |                     |                     |                     |
| Segment Assets                                  | 13,340.77           | 9,428.59            | 7,230.75            | 8,370.23            | 20,571.52           | 17,798.81           |
| Unallocable Assets                              |                     |                     |                     |                     | 2,271.45            | 2,130.43            |
| <b>Total Assets :</b>                           |                     |                     |                     |                     | <b>22,842.97</b>    | <b>19,929.24</b>    |
| <b>Liabilities</b>                              |                     |                     |                     |                     |                     |                     |
| Segment Liabilities                             | 3,805.13            | 2,985.86            | 2,314.88            | 2,339.31            | 6,120.01            | 5,325.17            |
| Unallocable Liabilities                         |                     |                     |                     |                     | 16,722.96           | 14,604.08           |
| <b>Total Liabilities :</b>                      |                     |                     |                     |                     | <b>22,842.97</b>    | <b>19,930.24</b>    |
| Capital Expenditure during the year.            | -                   | 9.41                | 31.19               | 89.17               | 31.19               | 98.58               |
| Capital Expenditure during the year Unallocable |                     |                     |                     |                     | 271.24              | 30.93               |
| Depreciation and Amortization                   | 78.56               | 81.36               | 196.56              | 194.99              | 275.12              | 276.35              |
| Depreciation and Amortization (Unallocable)     |                     |                     |                     |                     | 123.38              | 126.51              |

### Secondary Segment Reporting:

The Company has no reportable secondary segment.

## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note 37: Valuation of Gratuity

#### Actuarial Valuation Assumption Used for Valuation

##### Economic Assumptions

| Date of Valuation                 | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|-----------------------------------|-----------------------------|-----------------------------|
| Discount Rate                     | 7.30%                       | 6.95%                       |
| Salary Escalation Rate            | 12.00%                      | 10.00%                      |
| Expected Rate of Return on Assets | N.A.                        | N.A.                        |
| Attrition Rate                    | 10.12%                      | 13.00%                      |
| Retirement Age                    | 58 Years                    | 58 Years                    |

(Amount in Lakhs)

| Amounts in Balance Sheet at Period-End        | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---|-----------------------------|-----------------------------|
| Closing Defined Defined Benefit Obligation    | 474.54                      | 380.45                      |
| Closing Fair value of Plan Assets             | -                           | -                           |
| Unrecognized Prior Service Cost               | -                           | -                           |
| Limit under Para 59 (b)                       | -                           | -                           |
| <b>Net Amount Recognized in Balance Sheet</b> | <b>474.54</b>               | <b>380.45</b>               |

(Amount in Lakhs)

| Amounts Recognised in Statement of Profit & Loss at Period-End | 1 <sup>st</sup> April 2022 to 31 <sup>st</sup> March 2023 | 1 <sup>st</sup> April 2021 to 31 <sup>st</sup> March 2022 |
|--|---|---|
| Company Service Cost - CY                                      | 45.46   | 40.42   |
| Interest Cost - CY   | 26.13   | 22.58   |
| Expected Return on Assets - CY                                 | -   | -   |
| Past Service Cost - CY   | -   | -   |
| Actuarial (Gains)/Losses - CY                                  | 91.00   | (11.62)   |
| Other Adjustments - CY   | -   | -   |
| <b>Net Periodic Benefit Cost/(Income) - CY</b>                 | <b>162.59</b>   | <b>51.38</b>  |

(Amount in Lakhs)

| Current / Non Current Bifurcation                 | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---|-----------------------------|-----------------------------|
| Current Liability                                 | 94.77                       | 99.83                       |
| Non Current Liability                             | 379.77                      | 280.61                      |
| (Asset)/Liability Recognised in the Balance Sheet | 474.54                      | 380.45                      |

## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

(Amount in Lakhs)

| Change in Defined Benefit Obligation during the period | 1 <sup>st</sup> April 2022 to<br>31 <sup>st</sup> March 2023 | 1 <sup>st</sup> April 2021 to<br>31 <sup>st</sup> March 2022 |
|--|--|--|
| Opening Defined Benefit Obligation                     | 380.45   | 347.33   |
| Current Service Cost                                   | 45.46  | 40.42  |
| Interest Cost  | 26.13  | 22.58  |
| Plan Participants' Contributions                       |  |  |
| Actuarial (Gain)/Loss                                  | 91.00  | (11.62)  |
| Acquisition/Divestiture - L                            | -  | -  |
| Benefits Paid  | (68.49)  | (18.27)  |
| Past Service Cost                                      |  |  |
| Currency Impact  |  |  |
| Curtailments   |  |  |
| Settlements  |  |  |
| <b>Closing Defined Benefit Obligation</b>              | <b>474.54</b>  | <b>380.45</b>  |

(Amount in Lakhs)

| Reconciliation of Amounts Recognised in Balance Sheet | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---|-----------------------------|-----------------------------|
| Op. Balance Sheet                                     | 380.45                      | 347.33                      |
| P&L   | 162.59                      | 51.38                       |
| Contributions/Benefits Paid                           | (68.49)                     | (18.27)                     |
| Acquisition / Divestiture                             | -                           | -                           |
| Other Adjustment                                      |                             |                             |
| <b>Cl. Balance Sheet</b>                              | <b>474.54</b>               | <b>380.45</b>               |

### Note: - 38 Corporate social responsibility (CSR) Activity

CSR amount required to be spent as per section 135 of the companies Act, 2013 read with Schedule VII thereof by the company during the year is Rs 15.19 Lakhs (Previous year ₹ 13.02 Lakhs) based on Average profit of last 3 years i.e. ₹759.47 Lakhs (Previous year ₹651.08 Lakhs).

During the year, the company has fulfilled its Corporate Social Responsibility by spending ₹16.10 Lakhs (P.Y. ₹13.22 Lakhs) towards corporate social responsibility (CSR) under Section 135 of the Companies Act, 2013 and rules thereon by way of contribution to Trust for Education Activity (Previous year towards Foundation for schools project advance based technology).

### Note: - 39 Earning Per Share:

Basic earnings (loss) per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

| Particulars   | Year ended<br>March 31 <sup>st</sup> 2023 | Year ended<br>March 31 <sup>st</sup> 2022 |
|---|---|---|
| i) Net Profit After Tax (A) (₹in Lakhs)               | 1222.59                                   | 847.48                                    |
| ii) Weighted Average number of<br>Equity Shares (B)   | 19,865,000                                | 19,865,000                                |
| iii) Face Value Per Equity Share (₹)                  | 10  | 10  |
| iv) Earning Per Share (A-B) (Rs) –<br>Basic & Diluted | 6.15                                      | 4.27                                      |

## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note: - 40 Disclosures Pursuant To Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 And Section 186 Of The Companies Act, 2013

In the year 2021-2022 Company has given Corporate Guarantee for availing a loan facility on behalf of M/s Archidply Décor Ltd related concern of the Company to State Bank of India (1000 Lakhs) and HDFC Bank Limited (1500 Lakhs) for the credit facilities granted by them for the purpose of principal business activity of M/s Archidply Décor Ltd. Credit Facility has been transferred by Archidply Décor from State bank of India to Kotak Bank during the year therefore Corporate Guarantee has also changed from SBI to Kotak bank.

The same was approved by board on August 11, 2021

During the year 2022-2023 Company has given one more Corporate Guarantee for availing loan facility on behalf of M/s Archidpanel Industries Pvt Ltd, 100% Subsidiary of the Company to State Bank of India (4230 Lakhs) and HDFC Bank Limited (4800 Lakhs) for the credit facilities granted by them for the purpose of Project Cost for setting up of MDF plant of M/s Archidpanel Industries Pvt Ltd

The same was approved by board on August 09, 2022

### Note: - 41: Related Party

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged. Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

Compensation includes all employee benefits i.e. all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered to the entity. It also includes such consideration paid on behalf of a parent of the entity in respect of the entity. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Disclosure as per Ind AS 24 "Related Party Disclosures" Issued by the Institute of Chartered Accountants of India is as follows:

#### Subsidiary Company:

Archidpanel Industries Private limited (100% subsidiary from 12/02/2022)

#### Key Management Personnel:

- i) Mr. Deen Dayal Daga – Chairman
- ii) Mr. Rajiv Daga – Managing Director
- iii) Mr. Shyam Daga – Non-Executive Director
- iv) Mr. Mohammad Shahid Aftab- Independent Director
- v) Mrs. Shanti Varadaraj Mallar - Independent Director
- vi) Mr. Pritam Singh- Independent Director
- vii) Mr. Anil Sureka- Chief Financial Officer
- viii) Mr. Atul Krishna Pandey- Company Secretary

#### Enterprises Owned/ Influenced by key Management personnel or their relatives:

- i) The Mysore Chip Boards Ltd
- ii) Assam Timber Products Pvt Ltd
- iii) Archidply Décor Ltd.
- iv) Archid Panel Products

The Company has entered into transactions with related parties as listed below during the year under consideration. Full Disclosure has been made and the Board of Directors considers such transactions to be in normal course of business and at rates agreed between the parties. Details of transactions with related parties are as follows:

## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

(Amount in Lakhs)

| Particulars   | Year ended<br>31.03.2023 | Year ended<br>31.03.2022 |
|---|--------------------------|--------------------------|
| <b>Transactions with related parties:</b>                         |                          |                          |
| a) Purchase of goods  |                          |                          |
| - Assam Timber Products Pvt. Ltd.                                 | 297.10                   | 329.20                   |
| - Archidply Decor Ltd.  | 1.82                     | Nil                      |
| - Archidpanel Industries Private limited                          | 81.78                    | Nil                      |
| b) Royalties Received   |                          |                          |
| - Assam Timber Products Pvt. Ltd.                                 | 12.20                    | 14.31                    |
| - Archid Panel Products   | 17.87                    | 23.35                    |
| c) Lease Rent Paid  |                          |                          |
| - The Mysore Chip boards Ltd.                                     | 14.36                    | 34.47                    |
| d) Rent Received  |                          |                          |
| - Archidply Decor Ltd.  | 1.20                     | 1.20                     |
| e) Sale of goods  |                          |                          |
| - Archidply Decor Ltd.  | 3.97                     | 128.54                   |
| - Archidpanel Industries Private Limited                          | 3.61                     | Nil                      |
| f) Interest Paid  |                          |                          |
| - Assam Timber Products Pvt. Ltd.                                 | 8.87                     | Nil                      |
| - Rajiv Daga  | 8.06                     | Nil                      |
| g) Loan Taken   |                          |                          |
| - Assam Timber Products Pvt. Ltd.                                 | 220.00                   | Nil                      |
| - Rajiv Daga  | 200.00                   | Nil                      |
| h) Loan Repaid  |                          |                          |
| - Rajiv Daga  | 200.00                   | Nil                      |
| <b>Key Management Personnel</b>                                   |                          |                          |
| a) Remuneration to Director paid*                                 | 106.80                   | 115.60                   |
| b) Sitting fee paid   | 4.15                     | 5.10                     |
| c) Remuneration to CFO  | 34.95                    | 33.82                    |
| <b>Outstanding balances on date:</b>                              | Nil                      | Nil                      |
| i) Director Remuneration Payable                                  | Nil                      | 15.63                    |
| ii) Lease Rent  | 84.26                    | 62.61                    |
| iii) Director Gratuity  | 126.28                   | 128.59                   |
| iv) Director Leave Encashment                                     |                          |                          |
| <b>Advance Received:</b>  |                          |                          |
| - Archidply Décor Limited   | 40.16                    | 9.88                     |
| <b>Loan Balance Outstanding:</b>                                  | 220.00                   | Nil                      |
| - Assam timber Products Pvt. Ltd.                                 |                          |                          |
| <b>Receivable from Related Parties</b>                            |                          |                          |
| a) Receivable   | Nil                      | 77.32                    |
| - Assam timber Products Pvt. Ltd.                                 | 6.61                     | 11.90                    |
| b) Other Receivable<br>(Royalty and Rent)                         | 518.20                   | 8.94                     |
| c) Loan to Subsidiary<br>- Archidpanel Industries Private Limited |                          |                          |
| d) Lease Deposit<br>- The Mysore Chipboards Ltd.                  | 27.45                    | 225.00                   |

## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

| Particulars                               | Year ended<br>31.03.2023 | Year ended<br>31.03.2022 |
|---|--------------------------|--------------------------|
| <b>Investment</b>                         | 2590.00                  | 10.00                    |
| a) Archidpanel Industries Private Limited |                          |                          |
| <b>Corporate Guarantee Given</b>          | 2500.00                  | 2500.00                  |
| - Archidply Decor Ltd.                    | 9030.00                  | Nil                      |
| -Archidpanel Industries Private Limited   |                          |                          |

\*The above Remuneration is exclusive of Leave Encashment and Gratuity as the same is provided on Actuarial Valuation done for company as a whole.

### Note: - 42 Unclaimed shares

In terms of Clause 5A of the Listing Agreement with the Stock Exchange, the Company has opened the demat suspense account and has transferred the 3225 unclaimed shares of public issue to "Archidply Industries Limited Unclaimed Shares Suspense Account." The Voting rights on these shares will remain frozen till the rightful owner claims the shares.

|  | CY   | PY   |
|--|------|------|
| Opening Balance of the Shares in the DEMAT account | 3225 | 3225 |
| Closing Balance of the Shares in the DEMAT account | 3225 | 3225 |

There was no Unclaimed Dividend (P.Y. NIL) and Unclaimed Share Application money (P.Y. NIL) that need to be transferred to Investor Education and Protection Fund during the year.

### Note: - 43 Micro, Small or 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

| Particulars  | (Amount in Lakhs)           |                             |
|--|-----------------------------|-----------------------------|
|  | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
| The principal amount remaining unpaid to any supplier as at the end of each accounting year;   | 1638.15                     | 757.76                      |
| The interest due thereon remaining unpaid to any supplier as at the end of each accounting year;   | NIL                         | NIL                         |
| The amount of interest paid by the buyer under MSMED Act, 2006   | NIL                         | NIL                         |
| The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006);                            | NIL                         | NIL                         |
| The amount of interest accrued and remaining unpaid at the end of accounting year.   | NIL                         | NIL                         |
| The amount of further interest due and payable even in the succeeding year, 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. | NIL                         | NIL                         |

### Note:- 44 Quarterly Returns submitted to Banks

The company has been sanctioned working capital limits in excess of five hundred Lakhs rupees, in aggregate, from banks on the basis of security of current assets. Differences between Quarterly returns or statement filed by the company with banks and books of account are as follows:

| Quarter | As per bank return (₹ In Lakhs) | As per books of account (₹ In Lakhs) | Difference (₹ In Lakhs) | %age of Differences |
|---------|---------------------------------|--------------------------------------|-------------------------|---------------------|
| Q1      | 5,766.68                        | 5,765.54                             | 1.14                    | 0.02%               |
| Q2      | 6,092.32                        | 6,091.68                             | 0.64                    | 0.01%               |
| Q3      | 5,631.92                        | 5,612.36                             | 19.56                   | 0.35%               |
| Q4      | 5,106.72                        | 5,071.19                             | 35.53                   | 0.70%               |

## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

Note: - 45 Fair values measurements

(Amount in Lakhs)

|   | 31 <sup>st</sup> March 2023 |                 | 31 <sup>st</sup> March 2022 |                |
|---|-----------------------------|-----------------|-----------------------------|----------------|
|   | FVOCI                       | Amortised Cost  | FVOCI                       | Amortised Cost |
| <b>Non-current financial assets</b>       |                             |                 |                             |                |
| (i) Investments                           | -                           | -               | 67.00                       | -              |
| (ii) Loans                                |                             | 518.20          | -                           | 8.94           |
| (iii) Other Financial Assets              | -                           | 196.45          | -                           | 447.82         |
| <b>Current financial assets</b>           |                             |                 |                             |                |
| (i) Trade receivable                      | -                           | 9204.16         | -                           | 8180.50        |
| (ii) Cash and cash equivalents            | -                           | 31.41           | -                           | 404.41         |
| (iii) Bank balances other than above      | -                           | 48.18           | -                           | 68.61          |
| (iv) Investments                          | -                           | -               | -                           | -              |
| (v) Other current financial assets        | -                           | -               | -                           | -              |
| <b>Total Financial assets</b>             | -                           | <b>9998.40</b>  | <b>67.00</b>                | <b>9110.28</b> |
| <b>Non-current financial liabilities</b>  |                             |                 |                             |                |
| (i) Borrowings                            | -                           | -               | -                           | 2.82           |
| <b>Current financial liabilities</b>      |                             |                 |                             |                |
| (i) Borrowings                            | -                           | 6342.64         | -                           | 5374.68        |
| (ii) Trade payables                       | -                           | 4019.43         | -                           | 3757.74        |
| (iii) Other current financial liabilities | -                           | 491.57          | -                           | 352.19         |
| <b>Total Financial liabilities</b>        | -                           | <b>10853.64</b> | -                           | <b>9487.43</b> |

Notes:-

- The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.
- Investment in subsidiaries are being carried at cost hence not reported.
- Finance income and finance cost by instrument category wise classification :-
  - Interest income of ₹7.86 Lakhs (P.Y. ₹9.45 Lakhs) on financial instrument at amortised cost.
  - Interest expense of ₹510.22 Lakhs (P.Y. ₹386.75 Lakhs) on borrowing at amortised cost.

### Note 46. Financial Risk Management-Objectives and Policies

The Company's financial liabilities comprise long term borrowings, short term borrowings, capital creditors, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include trade and other receivables, cash and cash equivalents, investment in subsidiaries at cost and deposits.

The Company is exposed to market risk and credit risk. The Company has a Risk management policy and its management is supported by a Risk management committee that advises on risks and the appropriate risk governance framework for the Company. The audit committee provides assurance to the Company's management that the Company's risk activities are governed by appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

#### (i) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises risk of interest rate, currency risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include FVTPL investments.

## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

### a. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company has a treasury department which monitors the foreign exchange fluctuations on the continuous basis and advises the management of any material adverse effect on the Company.

#### Foreign Currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in foreign currency exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of assets and liabilities.

(Amount in Lakhs)

| Change in Foreign Currency Rates | Effect on Profit before Tax       |                                   |
|----------------------------------|-----------------------------------|-----------------------------------|
|                                  | As on 31 <sup>st</sup> March 2023 | As on 31 <sup>st</sup> March 2022 |
| 5% USD                           | 18.45                             | 8.20                              |
| -5% USD                          | -18.45                            | -8.20                             |
| 5% EURO                          | 1.12                              | 11.89                             |
| -5% EURO                         | (1.12)                            | (11.89)                           |

### b. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

#### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

|                              | Increase/ Decrease in basis points | Effect on Profit before Tax (Amount in Lacs) |
|------------------------------|------------------------------------|--|
| 31 <sup>st</sup> March, 2023 | +50                                | 30.60  |
|                              | -50                                | -30.60                                       |
| 31 <sup>st</sup> March, 2022 | +50                                | 26.53  |
|                              | -50                                | -26.53                                       |

### (ii) Credit Risks

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

The Company implements a credit risk management policy under which the Company only transacts business with counterparties that have a certain level of credit worthiness based on internal assessment of the parties, financial condition, historical experience, and other factors. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company has established a credit policy under which each new customer is analysed individually for creditworthiness.

#### Trade receivables

An impairment analysis is performed at each reporting date on an individual basis for all the customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on credit losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed in Note 9 as the Company does not hold collateral as security. The Company has evaluated the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries.

Refer note no 9 for ageing of trade receivable as of 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.



## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

No significant changes in estimation techniques or assumptions were made during the reporting period.

Credit risk also arises from transactions with financial institutions, and such transactions include transactions of cash and cash equivalents, various deposits, and financial instruments such as derivative contracts. The Company manages its exposure to this credit risk by only entering into transactions with banks that have high ratings. The Company's treasury department authorizes, manages, and oversees new transactions with parties with whom the Company has no previous relationship.

Furthermore, the Company limits its exposure to credit risk of financial guarantee contracts by strictly evaluating their necessity based on internal decision making processes, such as the approval of the board of directors.

### Credit risk exposure

The carrying amount of financial assets represents the Company's maximum exposure to credit risk. The maximum exposure to credit risk as of 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 are as follows:

|                           | (Amount in Lakhs)                 |                                   |
|---------------------------|-----------------------------------|-----------------------------------|
|                           | As on 31 <sup>st</sup> March 2023 | As on 31 <sup>st</sup> March 2022 |
| <b>NON CURRENT</b>        |                                   |                                   |
| Investments In Others     | -                                 | 67.74                             |
| Loans                     | 518.20                            | 8.94                              |
| Other financial assets    | 196.45                            | 447.82                            |
| <b>CURRENT</b>            |                                   |                                   |
| Trade receivable (Net)    | 9,204.16                          | 8,180.50                          |
| Cash and cash equivalents | 31.41                             | 404.41                            |
| Other Bank balances       | 48.18                             | 68.61                             |
| Other financial assets    | -                                 | -                                 |
|                           | <b>9,998.40</b>                   | <b>9,178.03</b>                   |

### Impairment losses on financial assets

Refer the table below for reconciliation of loss allowance in respect of Trade Receivables:

|   | (Amount in Lakhs)                 |                                   |
|---|-----------------------------------|-----------------------------------|
| Trade Receivables (measured under life time excepted credit loss model) | As on 31 <sup>st</sup> March 2023 | As on 31 <sup>st</sup> March 2022 |
| Loss Allowance at the beginning of the year                             | 159.55                            | 159.55                            |
| Add/(less): Allowance provided during the year                          | (52.53)                           | -                                 |
| Loss Allowance at the end of the year                                   | 107.02                            | 159.55                            |

### (iii) Liquidity Risk

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Company relies on a mix of borrowings and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium/ long term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs. Besides, it generally has certain undrawn credit facilities which can be accessed as and when required; such credit facilities are reviewed at regular intervals. Thus, no liquidity risk is perceived at present.

### Availability of Liquidity is as follows

|  | (Amount in Lakhs)                 |                                   |
|--|-----------------------------------|-----------------------------------|
| Particulars                                    | As on 31 <sup>st</sup> March 2023 | As on 31 <sup>st</sup> March 2022 |
| Cash and Cash Equivalent                       | 31.41                             | 404.41                            |
| Availability under committed credit facilities | 3,101.80                          | -                                 |

## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

The table below summarises the maturity profile of the Company's financial liabilities based on contractual discounted payments.

(Amount in Lakhs)

| Particulars                                   | Less than 1 Year | 1-2 Years   | 2-3 Years | Total            |
|---|------------------|-------------|-----------|------------------|
| <b>Year ended 31<sup>st</sup> March, 2023</b> |                  |             |           |                  |
| Borrowings                                    | 6,342.64         | -           | -         | 6,342.64         |
| Other financial liabilities                   | 491.57           | -           | -         | 491.57           |
| Trade payables                                | 4,019.43         | -           | -         | 4,019.43         |
|   | <b>10,853.64</b> | <b>-</b>    | <b>-</b>  | <b>10,853.64</b> |
| <b>Year ended 31<sup>st</sup> March, 2022</b> |                  |             |           |                  |
| Borrowings                                    | 5,374.68         | 2.82        | -         | 5,377.50         |
| Other financial liabilities                   | 352.19           | -           | -         | 352.19           |
| Trade payables                                | 3,757.74         | -           | -         | 3,757.74         |
|   | <b>9,484.61</b>  | <b>2.82</b> | <b>-</b>  | <b>9,487.43</b>  |

### Note:- 47 Additional disclosures relating to the requirement of revised Schedule III

- No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- There is no undisclosed income under the Income Tax Act, 1961 for the year ending 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 which needs to be recorded in the books of account.
- The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken.
- The below charges are pending for satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

| SL no | Charge holder name  | Date of Creation /modification | Amount       | Status                   |
|-------|---------------------|--------------------------------|--------------|--------------------------|
| 1.    | State Bank of India | 03/01/2023                     | 10,00,00,000 | Pending for satisfaction |
| 2.    | State Bank of India | 30/06/2020                     | 54,00,00,000 | Pending for satisfaction |
| 3.    | HDFC Bank Limited   | 18/04/2022                     | 52,00,00,000 | Pending for modification |

- Relationship with struck off companies:

There are no transactions with strike off company u/s 248 or 560 of Companies Act, 2013.

- The Company has not entered into any scheme of arrangements which has an accounting impact on current or previous financial year.

### (x) Utilisation of Borrowed Fund & Share Premium:

- The Company have not advanced or loaned or invested funds to any other person(s) or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

- b) The Company have not received any fund from any person(s) or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

### xi) Ratio analysis & its elements

| Serial no. | Particulars                     | 31.03.2023 | 31.03.2022 | Deviation | Reason                |
|------------|---------------------------------|------------|------------|-----------|-----------------------|
| a)         | Debt Service Coverage Ratio     | 3.45       | 1.41       | 144.23%   | Repayment of Loan     |
| b)         | Interest service Coverage Ratio | 3.86       | 3.49       | 10.80%    | -                     |
| c)         | Debt Equity Ratio               | 0.61       | 0.58       | 4.84%     | -                     |
| d)         | Total Debts to Total Assets     | 0.28       | 0.27       | 2.90%     | -                     |
| e)         | Creditors Turnover Ratio        | 7.16       | 6.36       | 12.71%    | -                     |
| f)         | Debtors Turnover Ratio          | 4.77       | 4.04       | 17.99%    | -                     |
| g)         | Inventory Turnover Ratio        | 10.37      | 8.05       | 28.91%    | Decrease in Inventory |
| h)         | Operating Margin(%)             | 4.83%      | 5.03%      | -4.00%    | -                     |
| i)         | Net Profit Margin(%)            | 2.95%      | 2.79%      | 5.87%     | -                     |
| j)         | Return on Equity Ratio          | 12.47%     | 9.64%      | 28.54%    | increase in Profit    |
| k)         | Return on Capital Employed      | 13.32%     | 11.17%     | 19.26%    | -                     |

### Note:- 48

Previous year's figures have been rearranged and/or regrouped, wherever necessary.

### Note:- 49

The financial statements have been approved by the Audit Committee at its meeting held on 17<sup>th</sup> May, 2023 and by the Board of Directors on the same date.

On behalf of the board of directors,

#### Deen Dayal Daga

Chairman  
DIN: 00497806

#### Rajiv Daga

Managing Director  
DIN:01412917

#### AS PER OUR REPORT OF EVEN DATE

**For GRV & PK**

Chartered Accountants  
Firm Reg. No. 008099S

#### Anil Sureka

Chief Financial Officer

#### Atul Krishna Pandey

Company Secretary  
M.No.: A47815

#### Kamal Kishore

(Partner)

Membership No. 205819  
UDIN:23205819BGXZUA8438

Place: Delhi

Date: 17.05.2023

# Independent Auditor's Report

To The Members of

## M/S. ARCHIDPLY INDUSTRIES LIMITED

Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying Consolidated financial statements of M/s. Archidply Industries Limited ("hereinafter referred to as "the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprises the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of changes in Equity and the Consolidated Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the consolidated financial statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2023, and its consolidated Profit, total comprehensive income, the consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

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

| Descriptions of Key Audit Matter   | How we addressed the matter in our audit  |
|--|---|
| <p><b>A. Valuation of Inventories</b></p> <p>Refer to note 8 to the financial statements.</p> <p>The Company is having Inventory of ₹ 5071.19 Lakh as on 31<sup>st</sup> March, 2023.</p> <p>Inventories are to be valued as per Ind AS 2. As described in the accounting policies in note 1(10) to the financial statements, inventories are carried at the lower of cost and net realisable value. As a result, the management applies judgment in determining the appropriate provisions against inventory of Stores, Raw Material, Finished goods and Work in progress based upon a detailed analysis of old inventory, net realisable value below cost based upon future plans for sale of inventory.</p> | <p>We obtained assurance over the appropriateness of the management's assumptions applied in calculating the value of the inventories and related provisions by:</p> <ul style="list-style-type: none"> <li>Completed a walkthrough of the inventory valuation process and assessed the design and implementation of the key controls addressing the risk.</li> <li>Verifying the effectiveness of key inventory controls operating over inventories; including sample based physical verification.</li> <li>Verify that the adequate cut off procedure has been applied to ensure that purchased inventory and sold inventory are correctly accounted.</li> <li>Reviewing the document and other record related to physical verification of inventories done by the management during the year.</li> </ul> |

To ensure that all inventories owned by the entity are recorded and recorded inventories exist as at the year-end and valuation has been done correctly

- Verify that inventories are valued in accordance with Ind AS 2 Verifying for a sample of individual products that costs have been correctly recorded.
- Comparing the net realisable value to the cost price of inventories to check for completeness of the associated provision.
- Reviewing the historical accuracy of inventory provisioning and the level of inventory write-offs during the year.

**Our Conclusion:**

Based on the audit procedures performed we did not identify any material exceptions in the Inventory valuation.

**B. Revenue recognition on sale of goods and impairment loss allowance on trade receivables**

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives and returns, if any, ('variable consideration') as specified in the contracts with the customers.

An estimate of variable consideration payable to the customers is recorded as at the year end. Such estimation is done based on the terms of contracts, rebates and discounts schemes and historical experience.

In accordance with Ind AS 109 – Financial Instruments, the Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. In calculating the impairment loss allowance, the Company has considered its credit assessment and other related credit information for its customers to estimate the probability of default in future and has considered estimates of possible effect from increased uncertainties in economic environment. We identified estimation of variable consideration and impairment loss allowance on trade receivables as a key audit matter because the Company's management exercises significant judgments and estimates in calculating the said variable consideration and impairment loss allowance

Our audit procedures included, amongst others:

- Tested a sample of sales transactions for compliance with the Company's accounting principles to assess the completeness, occurrence and accuracy of revenue recorded.
- We read and evaluated the Company's policies for revenue recognition and impairment loss allowance and assessed its compliance with Ind AS 115 – Revenue From Contracts With Customers' and Ind AS 109 'Financial Instruments', respectively.
- We assessed the design and tested the operating effectiveness of internal controls related to sales including variable consideration and impairment loss allowance on trade receivables.
- We performed the following tests for a sample of transactions relating to variable consideration:
- Read the terms of contract including rebates and discounts schemes as approved by authorized personnel.
- Evaluated the assumptions used in estimation of variable consideration by comparing with the past trends and understand the reasons for deviation.
- Performed retrospective review to identify and evaluate variances.
- Tested the design, implementation and operating effectiveness of the Company's controls over computation of incentives and pay out against the corresponding liability
- We evaluated management's assessment of the assumptions used in the calculation of impairment loss allowance on trade receivables, including consideration of the current and estimated future uncertain economic conditions.
- For sample customers, we tested past collection history, customer's credit assessment and probability of default assessment performed by the management.
- We tested the mathematical accuracy and computation of the allowances.
- We read and assessed the relevant disclosures made within the consolidated financial statements.

**Our conclusion:**

Based on the audit procedures performed we did not identify any material exceptions in the recognition of revenue and incentives and discount expenses.

## Other Information

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

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

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each Company and for preventing and detecting frauds and other irregularities; selection, application, implementation and maintenance of appropriate of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective management and Board of Directors are responsible for assessing the each Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements. We remain solely responsible for our audit opinion

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of aforesaid consolidated financial statement have been kept by the so far as it appears from our examination of those books.
  - c. The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including other Comprehensive Income, consolidated Statement of changes in Equity and the consolidated Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting standards) Rules, 2015
  - e. On the basis of the written representations received from the directors of the Holding company as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors of the holding company and on the basis of written representation

received by the management of subsidiary company, none of the directors are disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our Report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Group has disclosed the impact of pending litigations which could impact its financial position as mentioned in note no.35 to Consolidated Financial Statement.
  - ii. The Group did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group during the year ended 31<sup>st</sup> March, 2023.
  - iv. a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other source or kind of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
    - directly or indirectly lender invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Group or
    - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  - b. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the group from any person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the group shall, whether,
    - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or
    - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c. Based on audit procedures as we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause iv (a) and iv (b) contain any material mis-statement.
- v. The Group has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- h. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Group to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **GRV & PK**  
Chartered Accountants  
FRN: 008099S

**(Kamal Kishore)**  
Partner  
(Membership Number.205819)  
UDIN:23205819BGXZUB4106

Place: Delhi  
Date: 17.05.2023



## Annexure –A to the Independent Auditors’ Report on the Consolidated financial statements of Archidply Industries Limited for the year ended 31 March 2023

The Annexure 1 referred to in Independent Auditors’ Report ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of M/s. Archidply Industries Limited on the Consolidated financial statements for the year ended 31 March 2023, we report that:

(xxi) In our opinion and according to the information and explanation given to us, in respect of the following company included in consolidated financial statements, does not have any remarks to be included in their reports under Companies (Auditor’s Report) Order, 2020 (“CARO”), therefore nothing have been reproduced as per the requirements of the Guidance Note on CARO

| Name of Entities                       | CIN                   | Nature                  |
|--|-----------------------|-------------------------|
| Archidpanel Industries Private Limited | U20299UR2022PTC013589 | Wholly Owned Subsidiary |

For **GRV & PK**  
Chartered Accountants  
FRN: 008099S

**(Kamal Kishore)**  
Partner  
(Membership Number.205819)  
UDIN:23205819BGXZUB4106

Place: Delhi

Date: 17.05.2023

## Annexure - B to the Independent Auditors’ Report

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

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

We have audited the internal financial controls over financial reporting of **M/s. Archidply Industries Limited** as of 31 March 2023 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

#### Opinion

In conjunction with our audit of the consolidated financial statements of **Archidply Industries Limited** hereinafter referred to as (“the Holding Company”) as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to the consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

#### Management’s Responsibility for Internal Financial Controls

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

and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

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

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

#### **Inherent Limitations of Internal Financial Controls over Consolidated Financial Reporting**

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

For **GRV & PK**  
Chartered Accountants  
FRN: 008099S

**(Kamal Kishore)**

Partner  
(Membership Number.205819)  
UDIN:23205819BGXZUB4106

Place: Delhi  
Date: 17.05.2023

**Consolidated Balance Sheet** as at March 31, 2023

(Amount in Lakhs)

| Particulars   | Notes | As at 31.03.2023 | As at 31.03.2022 |
|---|-------|------------------|------------------|
| <b>A. ASSETS</b>  |       |                  |                  |
| <b>1. NON-CURRENT ASSETS</b>  |       |                  |                  |
| (a) Property , plant and Equipment  | 2     | 6,302.20         | 4,268.46         |
| (b) Capital Work-in Progress  | 2     | 1,166.50         | -                |
| (c) Goodwill  | 2     | 92.69            | 123.64           |
| (d) Other Intangible Assets   | 2     | 9.50             | 9.88             |
| (e) Investment Property   |       | -                | -                |
| (f) Financial Assets  |       |                  |                  |
| i) Investments  | 3     | -                | 67.74            |
| ii) Loans   | 4     | -                | -                |
| iii) Others   | 5     | 203.03           | 447.82           |
| (g) Deferred tax Asset (Net)  | 6     | 163.25           | 146.91           |
| (h) Other non current assets  | 7     | 1,495.49         | 123.18           |
| <b>Total Non current assets</b>   |       | <b>9,432.66</b>  | <b>5,187.64</b>  |
| <b>2. CURRENT ASSETS</b>  |       |                  |                  |
| (a) Inventories   | 8     | 5,071.19         | 5,121.10         |
| (b) Financial Assets  |       |                  |                  |
| ii. Trade Receivables   | 9     | 9,204.16         | 8,180.50         |
| iii. Cash and cash equivalent   | 10    | 245.59           | 414.41           |
| iv. Bank balances other than cash and cash equivalent                             | 11    | 149.03           | 68.61            |
| (c) Other current assets  | 12    | 705.30           | 955.19           |
| <b>Total Current Assets</b>   |       | <b>15,375.26</b> | <b>14,739.81</b> |
| <b>TOTAL ASSETS</b>   |       | <b>24,807.92</b> | <b>19,927.45</b> |
| <b>B.EQUITY &amp; LIABILITIES</b>   |       |                  |                  |
| <b>1. EQUITY:</b>   |       |                  |                  |
| (a) Equity Share Capital  | 13    | 1,986.50         | 1,986.50         |
| (b) Other Equity  | 14    | 8,394.57         | 7,238.29         |
| <b>Total Shareholders Fund</b>  |       | <b>10,381.07</b> | <b>9,224.79</b>  |
| <b>2. NON-CURRENT LIABILITIES</b>   |       |                  |                  |
| (a) Financial Liabilities   |       |                  |                  |
| i. Borrowings   | 15    | 1,912.80         | 2.82             |
| (b) Provisions  | 16    | 599.20           | 474.37           |
| (c) Other Non Current Liabilities   | 17    | 159.33           | -                |
| <b>Total Non-Current liabilities</b>  |       | <b>2,671.34</b>  | <b>477.19</b>    |
| <b>3. CURRENT LIABILITIES</b>   |       |                  |                  |
| (a) Financial Liabilities   |       |                  |                  |
| i. Borrowings   | 18    | 6,342.64         | 5,374.68         |
| ii. Trade Payables  | 19    |                  |                  |
| <b>Total Outstanding dues of Micro and small Enterprises</b>                      |       | <b>1,638.15</b>  | <b>757.76</b>    |
| <b>Total Outstanding dues of Creditors other than Micro and small Enterprises</b> |       | <b>2,381.27</b>  | <b>2,999.98</b>  |
| iii. Other financial liabilities  | 20    | 520.34           | 352.19           |
| (b) Short term Provisions   | 21    | 682.10           | 608.85           |
| (c) Other Current Liabilities   | 22    | 132.89           | 99.52            |
| (d) Current Income Tax Liabilities(Net)   | 23    | 58.11            | 32.50            |
| <b>Total Current liabilities</b>  |       | <b>11,755.51</b> | <b>10,225.48</b> |
| <b>TOTAL EQUITY &amp; LIABILITIES</b>   |       | <b>24,807.92</b> | <b>19,927.45</b> |

Notes from 01 to 49 form the integral part of Consolidated Financial statements

On behalf of the board of directors,

**Deen Dayal Daga**Chairman  
DIN: 00497806**Rajiv Daga**Managing Director  
DIN:01412917**Anil Sureka**

Chief Financial Officer

**Atul Krishna Pandey**Company Secretary  
M.No.: A47815**AS PER OUR REPORT OF EVEN DATE****For GRV & PK**Chartered Accountants  
Firm Reg. No. 008099S**Kamal Kishore**

(Partner)

Membership No. 205819  
UDIN:23205819BGXZUB4106

Place: Delhi

Date: 17.05.2023

**Consolidated Statement of Profit & Loss** for the period March 31, 2023 (Amount in Lakhs)

| Particulars  | Notes | Figures at the end of Current Reporting Period | Figures at the end of Previous Reporting Period |
|--|-------|--|---|
| <b>INCOME :</b>  |       |  |   |
| Revenue From Operations  | 24    | 42,174.92                                      | 30,628.33                                       |
| Other Income   | 25    | 232.85   | 89.53   |
| <b>TOTAL INCOME</b>  |       | <b>42,407.77</b>                               | <b>30,717.87</b>                                |
| <b>EXPENSES :</b>  |       |  |   |
| Cost of Goods consumed   | 26    | 15,029.06                                      | 13,548.64                                       |
| Purchase of Stock In Trade   | 27    | 13,349.82                                      | 6,707.17  |
| Changes in Inventories of Finished Goods, Work-in-process and stock-in-trade     | 28    | 218.19   | (650.48)  |
| Employee Benefit Expenses  | 29    | 2,912.55                                       | 2,662.17  |
| Finance Cost   | 30    | 576.32   | 467.58  |
| Depreciation & Ammortisation Expense   | 2     | 400.96   | 402.86  |
| Other Expenses   | 31    | 8,266.18                                       | 6,418.24  |
| <b>TOTAL EXPENSES</b>  |       | <b>40,753.08</b>                               | <b>29,556.17</b>                                |
| <b>PROFIT BEFORE TAXATION</b>  |       | <b>1,654.69</b>                                | <b>1,161.69</b>                                 |
| Tax Expenses:  |       |  |   |
| Current Tax  |       | 423.00   | 345.00  |
| Tax on BuyBack of Shares   | 6     | -  | -   |
| Deferred Tax   |       | 6.56   | (29.00)   |
| Taxes of earlier year  |       | -  | -   |
| <b>PROFIT AFTER TAXATION FOR THE YEAR</b>  |       | <b>1,225.13</b>                                | <b>845.69</b>                                   |
| Other Comprehensive Income   |       |  |   |
| A i) Items that will not be reclassified to profit or loss                       |       |  |   |
| Defined benefit plan actuarial gains/(losses)                                    |       | (91.00)  | 11.62   |
| ii) Income Tax relating to items that will not be reclassified to profit or loss |       | 22.90  | 2.92  |
| B i) Items that will be reclassified to profit or loss                           |       |  |   |
| (Dimunision)/Increase in the value of Investment                                 |       | (0.74)   | 0.74  |
| ii) Income Tax relating to items that will not be reclassified to profit or loss |       |  | -   |
| <b>Other Comprehensive Income net of tax</b>                                     |       | <b>(68.84)</b>                                 | <b>15.29</b>                                    |
| <b>Total Comprehensive Income for the year, net of tax</b>                       |       | <b>1,156.29</b>                                | <b>860.98</b>                                   |
| Total Comprehensive Income for the year, net of tax of the group                 |       | 1,156.29                                       | 860.98  |
| Profits Attributable To:   |       |  |   |
| Parent (To be trasferred to Balance Sheet)                                       |       | 1,156.29                                       | 860.98  |
| Non-Controlling Interest   |       | -  | -   |
| <b>Earning Per Share ( ₹ )</b>   |       |  |   |
| Basic & diluted  |       | 6.17   | 4.26  |

**Notes from 01 to 49 form the integral part of Consolidated Financial statements**

On behalf of the board of directors,

**Deen Dayal Daga**Chairman  
DIN: 00497806**Rajiv Daga**Managing Director  
DIN:01412917**Anil Sureka**

Chief Financial Officer

**Atul Krishna Pandey**Company Secretary  
M.No.: A47815**AS PER OUR REPORT OF EVEN DATE****For GRV & PK**Chartered Accountants  
Firm Reg. No. 008099S**Kamal Kishore**

(Partner)

Membership No. 205819  
UDIN:23205819BGXZUB4106

Place: Delhi

Date: 17.05.2023

**Consolidated Statement of Cash Flow** for the period March 31, 2023 (Amount in Lakhs)

| Particulars   | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| <b>A. Cash flows arising from operating activities</b>  |                                      |                                      |
| Net Profit/(Loss) Before Tax                            | 1,654.69                             | 1,161.69                             |
| <b>Add:</b> Depreciation                                | 400.96                               | 402.86                               |
| Interest Paid   | 576.32                               | 467.58                               |
| Loss on Sale of Assets                                  | 5.00                                 | 26.01                                |
| <b>Less:</b> Other comprehensive (Income)/loss          | 91.00                                | (11.62)                              |
|   | <b>2,545.97</b>                      | <b>2,069.76</b>                      |
| <b>Less:</b> Profit on sale of Assets                   | -                                    | -                                    |
| Profit on sale of Investment                            | 0.32                                 | 3.36                                 |
| Depreciation withdrawn Deferred Government grant        | 169.71                               | -                                    |
| Interest Received                                       | 15.97                                | 9.45                                 |
|   | <b>2,359.97</b>                      | <b>2,056.95</b>                      |
| Operating profit before working capital changes         |                                      |                                      |
| (Increase)/Decrease in Inventory                        | 49.91                                | (543.26)                             |
| (Increase)/Decrease in Debtors                          | (1,023.66)                           | (1,204.14)                           |
| (Increase)/Decrease in Loans & Advances                 | 211.02                               | 47.58                                |
| (Increase)/Decrease in Other current assets             | 249.90                               | 26.12                                |
| Increase/(Decrease) in Trade Payables                   | 261.69                               | 1,172.38                             |
| Increase/(Decrease) in Provisions                       | 198.08                               | (74.16)                              |
| Increase/(Decrease) in other current liabilities        | 201.52                               | (17.06)                              |
| Cash flow from Operations                               | 2,508.44                             | 1,464.42                             |
| Payment of Income Tax                                   | 397.39                               | 329.48                               |
|   |                                      |                                      |
| <b>Net Cash Flow from Operating Activities</b>          | <b>2,111.05</b>                      | <b>1,134.95</b>                      |
| <b>B. Cash flows arising from Investment activities</b> |                                      |                                      |
| <b>Inflows:</b>   |                                      |                                      |
| FD matured  | 55.56                                | 30.61                                |
| Sale of Fixed Asset                                     | 6.93                                 | 73.29                                |
| Sale of Investment                                      | 103.32                               | 18.44                                |
| Interest Received                                       | 15.97                                | 9.45                                 |
| <b>Outflows:</b>  |                                      |                                      |
| Investment in Fixed Assets                              | 2,415.29                             | 129.51                               |
| Change in WIP   | 1,166.50                             | (11.69)                              |
| Advances given for Procurement of Asset                 | 1,373.68                             | -                                    |
| FD Made with bank                                       | 100.85                               | 26.03                                |
| Purchase of Investment                                  | 36.00                                | 67.00                                |
|   | <b>(4,910.54)</b>                    | <b>(79.04)</b>                       |

**Statement of Cash Flow (Contd..)** for the period March 31, 2023 (Amount in Lakhs)

| Particulars  | For the year ended<br>March 31, 2023 |                 | For the year ended<br>March 31, 2022 |                   |
|--|--------------------------------------|-----------------|--------------------------------------|-------------------|
| <b>C. Cash flows arising from finance activities</b>         |                                      |                 |                                      |                   |
| <b>Inflows:</b>  |                                      |                 |                                      |                   |
| Proceeds from Secured Loan                                   | 2,727.13                             |                 | -                                    |                   |
| Proceeds from Unsecured Loan                                 | 709.51                               |                 | -                                    |                   |
| Subsidy Received   | 329.05                               |                 | -                                    |                   |
| <b>Outflows:</b>   |                                      |                 |                                      |                   |
| Repayment of Secured Loan                                    | 69.19                                |                 | 1,040.92                             |                   |
| Repayment of unsecured Loan                                  | 489.51                               |                 | -                                    |                   |
| Interest paid  | 576.32                               | <b>2,630.67</b> | 467.58                               | <b>(1,508.49)</b> |
| <b>Cash flow from all activities-(A+B+C)</b>                 |                                      | <b>(168.83)</b> |                                      | <b>(452.59)</b>   |
| <b>Add:</b> Cash & cash equivalents at beginning of the year |                                      | 414.41          |                                      | 867.00            |
| Cash & cash equivalents at year end of the year              |                                      | 245.59          |                                      | 414.41            |

**Notes from 01 to 49 form the integral part of Consolidated Financial statements**

On behalf of the board of directors,

**Deen Dayal Daga**Chairman  
DIN: 00497806**Rajiv Daga**Managing Director  
DIN:01412917**Anil Sureka**

Chief Financial Officer

**Atul Krishna Pandey**Company Secretary  
M.No.: A47815**AS PER OUR REPORT OF EVEN DATE****For GRV & PK**Chartered Accountants  
Firm Reg. No. 008099S**Kamal Kishore**

(Partner)

Membership No. 205819  
UDIN:23205819BGXZUB4106

Place: Delhi

Date: 17.05.2023

## Consolidated Statement of Changes in Equity

### A. EQUITY SHARE CAPITAL

(Amount in lakhs)

| Balance as at April 1, 2022 | Changes in Equity share capital due to prior period errors | Restated Balance as at April 1, 2022 | Changes in Equity Share Capital during the year | Balance as at March 31, 2023 |
|-----------------------------|--|--------------------------------------|---|------------------------------|
| 1,986.50                    | -  | 1,986.50                             | -   | 1,986.50                     |

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

### B. OTHER EQUITY

(Amount in lakhs)

| Particulars                                      | (As at March 31, 2023) |                   |                            |                 |                            |                    |
|--|------------------------|-------------------|----------------------------|-----------------|----------------------------|--------------------|
|  | Share Premium          | Retained Earnings | Other Comprehensive Income | Capital Subsidy | Capital Redemption reserve | Total Other Equity |
| <b>Opening Balance</b>                           | 880.16                 | 6,098.13          | 9.99                       | 30.00           | 220.00                     | 7,238.29           |
| Add: Profit for the Period                       |                        | 1,225.13          |                            |                 |                            | 1,225.13           |
| Add: Other Comprehensive Income/(Loss)           |                        |                   | (68.84)                    |                 |                            | (68.84)            |
| <b>Total Comprehensive Income for the period</b> | <b>880.16</b>          | <b>7,323.26</b>   | <b>(58.85)</b>             | <b>30.00</b>    | <b>220.00</b>              | <b>8,394.57</b>    |
| <b>Closing Balance</b>                           | <b>880.16</b>          | <b>7,323.26</b>   | <b>(58.85)</b>             | <b>30.00</b>    | <b>220.00</b>              | <b>8,394.57</b>    |

(Amount in Lakhs)

| Particulars                                      | (As at March 31, 2022) |                   |                            |                 |                            |                    |
|--|------------------------|-------------------|----------------------------|-----------------|----------------------------|--------------------|
|  | Share Premium          | Retained Earnings | Other Comprehensive Income | Capital Subsidy | Capital Redemption reserve | Total Other Equity |
| <b>Opening Balance</b>                           | 880.16                 | 5,252.44          | (5.29)                     | 30.00           | 220.00                     | 6,377.31           |
| Add: Profit for the Period                       |                        | 845.69            | -                          |                 | -                          | 845.69             |
| Add: Other Comprehensive Income/(Loss)           |                        |                   | 15.29                      |                 |                            | 15.29              |
| Add: Adjustments made                            |                        | 5.85              | (5.85)                     |                 |                            |                    |
| <b>Total Comprehensive Income for the period</b> | <b>880.16</b>          | <b>6,098.13</b>   | <b>9.99</b>                | <b>30.00</b>    | <b>220.00</b>              | <b>7,238.29</b>    |
| <b>Closing Balance</b>                           | <b>880.16</b>          | <b>6,098.13</b>   | <b>9.99</b>                | <b>30.00</b>    | <b>220.00</b>              | <b>7,238.29</b>    |

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

#### Notes from 01 to 49 form the integral part of Consolidated Financial statements

On behalf of the board of directors,

**Deen Dayal Daga**

Chairman

DIN: 00497806

**Rajiv Daga**

Managing Director

DIN:01412917

**Anil Sureka**

Chief Financial Officer

**Atul Krishna Pandey**

Company Secretary

M.No.: A47815

**AS PER OUR REPORT OF EVEN DATE****For GRV & PK**

Chartered Accountants

Firm Reg. No. 0080995

**Kamal Kishore**

(Partner)

Membership No. 205819

UDIN:23205819BGXZUB4106

Place: Delhi

Date: 17.05.2023

## Note: - 1 SIGNIFICANT ACCOUNTING POLICIES

### 1. Corporate Information:

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

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

**i) Wood Based Products:** Plywood & Block Board.

**ii) Paper Based Products:** Laminated Sheets(HPL)

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

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

### 2. Basis of preparation of Consolidated Financial statements:

The Consolidated Financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. The Consolidated Financial statements for year ended 31<sup>st</sup> March 2023 were prepared in accordance with Indian Accounting standards notified under the Company (Accounting Standards) Rules 2006 read with Rule 7(1) of the Companies (Accounts) Rules, 2014 and the provisions of the Companies Act, 2013 (hereinafter referred to as the 'previous GAAP').

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

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

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

all recently issued or revised accounting standards on an on-going basis.

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

### 3. Accounting Estimates And Assumptions:

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

### 4. Equity

#### a) Ordinary Shares

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

#### b) Capital redemption reserve

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

#### c) Securities Premium

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

#### d) Retained Earnings

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

### 5. Property, Plant and Equipment

- a) Property, Plant and Equipment are stated at original cost (net of tax/ duty credit availed) less accumulated depreciation and impairment losses except freehold land which is carried at cost. Cost includes cost of acquisition, construction and installation, taxes, duties, freight, other incidental expenses related to the acquisition, trial run



expenses (net of revenue) and pre-operative expenses including attributable borrowing costs incurred during pre-operational period.

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

## 6. Intangible Assets

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

## 7. Investment Property

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

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

## 8. Lease Property

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

## 9. Impairment of Assets

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

During the year Company has recognized ₹ 1.99 Lakhs as impairment loss on its assets as it has retired assets which were of no use and no realizable value.

## 10. Inventories

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

## 11. Cash Flow Statement

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

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

## 12. Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

## A. Financial Assets

### (i) Initial Recognition and Measurement

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

### (ii) Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- (a) Debt instruments measured at amortized cost using the effective interest rate method and losses arising from impairment are recognized in Profit and Loss if both the following conditions are met:
  - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- (b) Equity instruments at fair value through other comprehensive income.
- (c) Equity instruments at fair value through profit or loss (FVTPL)
- (d) Equity Instruments in subsidiaries are carried at cost, in accordance with option available in Ind AS 27 "Separate Financial Statements".

### (iii) De-Recognition

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

### (iv) Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

As a practical expedient, the Company uses historically

observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates to determine impairment loss allowance on portfolio of its trade receivables.

#### **B. Financial Liabilities:**

- i) Classification as debt or equity -** Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.
- ii) Equity instruments -** An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.
- iii) Initial Recognition and Measurement:**  
All Financials Liabilities are recognized net of transaction costs incurred.
- iv) Subsequent Measurement-**  
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate ("EIR") method. Gains and losses are recognised in profit or loss when the liabilities are derecognised through the EIR amortisation process.
- v) De-Recognition**  
All Financials Liabilities are removed from balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

### **13. Tax Asset**

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

### **14. Revenue Recognition:**

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

measured at the fair value of the consideration received or receivable.

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

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

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

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

### **15. Government grants**

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual installments.

### **16. Foreign Currency Transactions:**

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

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

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

### 17. Employee Benefits:

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

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

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

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

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

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

### 18. Borrowing Costs:

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds.

General and specific borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets during the period of time that is required to

complete and prepare the asset for its intended use. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use.

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

### 19. Accounting for Taxes on Income:

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

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

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

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

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

### 20. Contingent Liabilities & Contingent Assets:

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

(a) when it is not probable that an outflow of resources will be required to settle the obligation;

(b) when no reliable estimate is possible;

(c) unless the probability of outflow of resources is remote.

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

## 21. Current And Non- Current Classification:

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

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

An asset is current when it is

- (a) expected to be realised or intended to be sold or consumed in normal operating cycle
- (b) held primarily for the purpose of trading
- (c) expected to be realised within twelve months after the reporting period
- (d) Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

- (e) All other assets are classified as non-current.

A liability is current when

- (a) it is expected to be settled in normal operating cycle
- (b) it is held primarily for the purpose of trading
- (c) it is due to be discharged within twelve months after the reporting period
- (d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

- (e) All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

## 22. Corporate social responsibility (CSR) Activity

In case of CSR activities undertaken by the Company, if any expenditure of revenue nature is incurred or an irrevocable contribution is made to any agency to be spent by the later on any of the activities mentioned

in Schedule VII to the Companies Act, 2013, the same is charged as an expense to its Statement of Profit and Loss and if any extra material amount has been done the same has been carried forward as current asset.

## 23. Earnings Per Share

Earnings per share are calculated by dividing the net profit or loss before OCI for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## 24. Segment Reporting

The Company's operating business segments are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

## 25. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

## Notes to Financial Statement for the year ended 31<sup>st</sup> March 2023

### NOTE :- 2 Property Plant & Equipment

| PARTICULARS                        | GROSS BLOCK                    |                                   |   | DEPRECIATION                 |                  |                                      | NET BLOCK                        |                               |                            |                            |
|------------------------------------|--------------------------------|-----------------------------------|---|------------------------------|------------------|--------------------------------------|----------------------------------|-------------------------------|----------------------------|----------------------------|
|                                    | ORIGINAL COST AS ON 01.04.2022 | ADDITION 01.04.2022 to 31.03.2023 | SALES/ Adjustments 01.04.2022 to 31.03.2023 | TOTAL GROSS BLOCK 31.03.2023 | UP TO 01.04.2022 | FOR THE PRD 01.04.2022 to 31.03.2023 | DEPRECIATION ADJUSTMENT ON SALES | TOTAL DEPRECIATION 31.03.2023 | NET BLOCK AS ON 31.03.2023 | NET BLOCK AS ON 31.03.2022 |
| <b>A) TANGIBLE ASSETS:</b>         |                                |                                   |   |                              |                  |                                      |                                  |                               |                            |                            |
| FREE HOLD LAND                     | 1,509.76                       | -                                 | -   | 1,509.76                     | -                | -                                    | -                                | -                             | 1,509.76                   | 1,509.76                   |
| LEASE HOLD LAND                    |                                | 2,287.00                          |   | 2,287.00                     | -                | -                                    | -                                | -                             | 2,287.00                   | -                          |
| BUILDINGS                          | 2,047.60                       | 14.84                             | 0.49  | 2,061.95                     | 907.86           | 82.62                                | 0.24                             | 990.24                        | 1,071.71                   | 1,139.74                   |
| PLANT AND MACHINERIES              | 4,643.34                       | 71.32                             | 42.01                                       | 4,672.64                     | 3,160.75         | 245.61                               | 33.70                            | 3,372.66                      | 1,299.98                   | 1,482.59                   |
| ELECTRICAL EQUIPMENTS              | 4.01                           | -                                 | -   | 4.01                         | 0.54             | 0.13                                 | -                                | 0.67                          | 3.34                       | 3.47                       |
| FURNITURES AND FIXTURES            | 170.13                         | 14.63                             | -   | 184.76                       | 106.68           | 15.56                                | -                                | 122.24                        | 62.52                      | 63.45                      |
| OFFICE EQUIPMENTS                  | 42.45                          | 3.02                              | 0.20  | 45.27                        | 28.77            | 4.75                                 | 0.19                             | 33.34                         | 11.93                      | 13.67                      |
| COMPUTERS                          | 46.90                          | 13.14                             | 4.92  | 55.12                        | 39.80            | 4.82                                 | 2.30                             | 42.32                         | 12.80                      | 7.11                       |
| VEHICLES                           | 157.30                         | 11.16                             | 14.34                                       | 154.12                       | 108.63           | 15.96                                | 13.62                            | 110.97                        | 43.15                      | 48.67                      |
| <b>SUB TOTAL (A)</b>               | <b>8,621.49</b>                | <b>2,415.11</b>                   | <b>61.96</b>                                | <b>10,974.63</b>             | <b>4,354.02</b>  | <b>369.45</b>                        | <b>50.04</b>                     | <b>4,672.43</b>               | <b>6,302.20</b>            | <b>4,268.46</b>            |
| <b>B) INTANGIBLE ASSETS:</b>       |                                |                                   |   |                              |                  |                                      |                                  |                               |                            |                            |
| GOODWILL                           | 618.39                         | -                                 | -   | 618.39                       | 494.75           | 30.95                                | -                                | 525.70                        | 92.69                      | 123.64                     |
| PROGRAM AND APPLICATION            | 125.86                         | 0.18                              | -   | 126.04                       | 119.56           | 0.06                                 | -                                | 119.62                        | 6.42                       | 6.29                       |
| TRADEMARK                          | 5.00                           | -                                 | -   | 5.00                         | 1.42             | 0.50                                 | -                                | 1.92                          | 3.08                       | 3.58                       |
| <b>SUB TOTAL (B)</b>               | <b>749.25</b>                  | <b>0.18</b>                       | <b>-</b>                                    | <b>749.43</b>                | <b>615.73</b>    | <b>31.51</b>                         | <b>-</b>                         | <b>647.24</b>                 | <b>102.19</b>              | <b>133.52</b>              |
| <b>C) CAPITAL WORK IN PROGRESS</b> |                                |                                   |   |                              |                  |                                      |                                  |                               |                            |                            |
| WIP PLANT & MACHINERY              |                                | 581.74                            |   | 581.74                       |                  |                                      |                                  |                               | 581.74                     |                            |
| PRE-OPERATIVE PROJECT COST         |                                | 218.76                            |   | 218.76                       |                  |                                      |                                  |                               | 218.76                     |                            |
| WIP BUILDING                       |                                | 366.00                            |   | 366.00                       |                  |                                      |                                  |                               | 366.00                     |                            |
| CAPITAL WIP                        |                                | 1,166.50                          |   | 1,166.50                     |                  |                                      |                                  |                               | 1,166.50                   |                            |
| <b>TOTAL</b>                       | <b>9,370.73</b>                | <b>3,581.79</b>                   | <b>61.96</b>                                | <b>12,890.56</b>             | <b>4,969.75</b>  | <b>400.96</b>                        | <b>50.04</b>                     | <b>5,319.67</b>               | <b>7,570.89</b>            | <b>4,401.98</b>            |
| Previous year                      | 9,649.99                       | 129.51                            | 408.76                                      | 9,370.73                     | 4,863.65         | 402.86                               | 297.76                           | 4,969.75                      | 4,401.98                   | 4,786.34                   |

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023

### WIP Ageing

| Particulars          | Less than 1 year | 1-2 Years | 2-3 years | 3 years & above | Total  |
|----------------------|------------------|-----------|-----------|-----------------|--------|
| <b>As on 2022-23</b> |                  |           |           |                 |        |
| Plant & Machinery    | 581.74           | -         | -         | -               | 581.74 |
| Building             | 366.00           | -         | -         | -               | 366.00 |
| Project cost         | 218.76           | -         | -         | -               | 218.76 |

### Notes:-

- The title deeds of immovable properties are held in the name of the company, in case of land which are on long term lease from government, the lease agreement are duly executed in favor of the company.
- For details on assets pledged against borrowings Refer Note No. 15 & 18
- Company has not revalued its Property, Plant & Equipment & Intangible assets during the period ending 31<sup>st</sup> March, 2023 and also during the previous period ending 31<sup>st</sup> March, 2022.
- Intangible asset under development is Nil (PY Nil).
- During the year ended March 31, 2023, certain assets which were old and have no realisable value having Net book value of ₹1.99 Lakhs/- (PY ₹24.28 Lakhs/-) (Gross book value of ₹17.35 Lakhs/- (PY ₹314.30 Lakhs/-)) were retired and shown as impairment loss in the books.

### Details of Assets Retired during the year are as follows

(Amount in Lakhs)

| Particulars               | Current Year |             | Previous year |              |
|---------------------------|--------------|-------------|---------------|--------------|
|                           | Gross Value  | Net Value   | Gross Value   | Net Value    |
| Building                  | 0.49         | 0.26        | 9.42          | 3.93         |
| Plant & machinery         | 15.20        | 1.66        | 135.10        | 6.60         |
| Computers                 | 1.46         | 0.06        | 57.25         | 2.89         |
| Office Equipment          | 0.20         | 0.01        | 31.76         | 1.45         |
| Furniture & Fixtures      | -            | -           | 70.49         | 8.89         |
| Programmes & applications | -            | -           | 10.29         | 0.51         |
| <b>Total</b>              | <b>17.35</b> | <b>1.99</b> | <b>314.30</b> | <b>24.28</b> |

### Note 3: Investments

| Particulars  | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|--|---------------------------------|---------------------------------|
| <b>a Investment in 100% Subsidiary Company</b>   |                                 |                                 |
| Archid Panel Industries Private Limited<br>(1,31,00,000 equity shares of ₹10/- face value (PY 1,00,000 equity shares))     | -                               | -                               |
| <b>b Investments in Mutual Fund</b>  |                                 |                                 |
| <b>(Carried at Fair value through other Comprehensive Income)</b>  |                                 |                                 |
| SBI Balanced Advantage Fund-Regular Growth<br>(C.Y- NIL (PY 6,57,419.886 units having NAV value as on 31.03.2022 ₹10.3046) | -                               | 67.00                           |
| Less:Dimunision/(Increase) in Value  | -                               | (0.74)                          |
|  | -                               | <b>67.74</b>                    |

### Note 4: Loans & Advances

| Particulars                       | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|-----------------------------------|---------------------------------|---------------------------------|
| <b>Unsecured, Considered Good</b> |                                 |                                 |
| Loan to Subsidiary Company        | -                               | -                               |
|                                   | -                               | -                               |

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note 5: Other Non-Current Financial Assets

| Particulars                           | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---------------------------------------|---------------------------------|---------------------------------|
| i) Security Deposits                  | 163.78                          | 175.89                          |
| ii) Security Deposits - Related Party | 27.45                           | 225.00                          |
| iii) Balance With Banks               |                                 |                                 |
| - Bank Deposit for Margin Money       | 11.80                           | 46.94                           |
| (Maturity period more than 12 months) |                                 |                                 |
|                                       | <b>203.03</b>                   | <b>447.82</b>                   |

### Note 6: Deferred Tax Assets

| Particulars  | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|--|---------------------------------|---------------------------------|
| Opening deferred tax asset   | 146.91                          | 114.99                          |
| Deferred tax (Liability)/Asset arising in current year on account of timing difference |                                 |                                 |
| 1. Depreciation  | -                               | 21.10                           |
| 2. Gratuity  | 23.68                           | 8.33                            |
| 3. Leave Encashment  | 3.72                            | 5.51                            |
| 4. Provisions  | (11.06)                         | (3.02)                          |
|  | <b>163.25</b>                   | <b>146.91</b>                   |

### Note 7: Other Non-Current Assets

| Particulars                                   | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---|---------------------------------|---------------------------------|
| <b>a Capital Advances</b>                     |                                 |                                 |
| For Plant & Machinery                         | 1,374.42                        | 0.74                            |
|   | <b>1,374.42</b>                 | <b>0.74</b>                     |
| <b>b Advances Other than Capital Advances</b> |                                 |                                 |
| i) Other Advances                             |                                 |                                 |
| - Balance With Revenue Authorities            | 0.07                            | 7.14                            |
| - Income Tax Refund receivable                | 108.14                          | 108.14                          |
|   | <b>108.21</b>                   | <b>115.28</b>                   |
| ii) Pre operative Expenses                    | 7.16                            | -                               |
| Add: During the year                          | 9.36                            | 8.94                            |
| Less: 1/5 transfer to expenses                | 3.66                            | 1.79                            |
|   | <b>12.85</b>                    | <b>7.16</b>                     |
| <b>Total Other Non Current Assets</b>         | <b>1,495.49</b>                 | <b>123.18</b>                   |

### Note 8: Inventories

| Particulars  | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|--|---------------------------------|---------------------------------|
| (As taken, valued and certified by the management) |                                 |                                 |
| Raw Materials                                      | 1,892.74                        | 1,757.18                        |
| Finished Goods                                     | 2,236.78                        | 2,711.88                        |
| Stock in trade                                     | 628.94                          | 329.51                          |
| Work in Progress                                   | 17.90                           | 60.41                           |
| Stores, Spares & Consumption                       | 294.83                          | 262.11                          |
|  | <b>5,071.19</b>                 | <b>5,121.10</b>                 |

Note: Inventories are pledged against the cash credit limit obtained by the company.



## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note 9: Trade Receivables

| Particulars                      | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|----------------------------------|---------------------------------|---------------------------------|
| <b>Unsecured</b>                 |                                 |                                 |
| -Considered Good*                | 9,253.95                        | 8,205.46                        |
| -Significant increase in risk    | 57.22                           | 126.01                          |
| -Credit Impaired                 | -                               | -                               |
| Less: Allowances for Credit loss | 107.02                          | 150.98                          |
|                                  | <b>9,204.16</b>                 | <b>8,180.50</b>                 |

\*(includes Related Party ₹6.62 Lakhs /- (PY 11.90 Lakhs/-))

1. The above outstanding is from date of transaction of sales.
2. Trade receivables are pledged against the cash credit limit obtained by the Company.
3. Trade receivables are non-interest bearing and are generally on terms of 0-90 days.
4. No debts are due from Directors or other officers of the Company.

| Particulars                      | Less than 6 months | 6months to 1 year | 1-2 years     | 2-3 years   | More than 3 years | Total as on 31.03.2023 |
|----------------------------------|--------------------|-------------------|---------------|-------------|-------------------|------------------------|
| <b>a Unsecured ; Undisputed</b>  |                    |                   |               |             |                   |                        |
| -Considered Good*                | 8,853.76           | 266.40            | 128.71        | 0.62        | 1.97              | 9,251.45               |
| -Significant increase in risk    | -                  | 0.66              | 8.82          | 1.75        | 12.21             | 23.44                  |
| -Credit Impaired                 | -                  | -                 | -             | -           | -                 | -                      |
| <b>b Unsecured ; Disputed</b>    | -                  | -                 | -             | -           | -                 | -                      |
| -Considered Good                 | -                  | -                 | -             | -           | 2.50              | 2.50                   |
| -Significant increase in risk    | -                  | -                 | 4.83          | 6.64        | 22.30             | 33.78                  |
| -Credit Impaired                 | -                  | -                 | -             | -           | -                 | -                      |
| Less: Allowances for Credit loss | -                  | -                 | -             | -           | -                 | 107.02                 |
|                                  | <b>8,853.76</b>    | <b>267.06</b>     | <b>142.37</b> | <b>9.01</b> | <b>38.98</b>      | <b>9,204.16</b>        |

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

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note 10: Cash & Cash Equivalents

| Particulars  | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|--|---------------------------------|---------------------------------|
| <b>a Balances with Banks</b>                                     |                                 |                                 |
| - Balances in current accounts                                   | 212.49                          | 10.00                           |
| - Balances in Fixed Deposit -<br>Maturity of less than 12 months | 23.13                           | 400.00                          |
| <b>b Cash in hand</b>  | 9.96                            | 4.41                            |
|  | <b>245.59</b>                   | <b>414.41</b>                   |

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

| Particulars                                    | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|--|---------------------------------|---------------------------------|
| Deposit for Margin Money - less than 12 months | 149.03                          | 68.61                           |
|  | <b>149.03</b>                   | <b>68.61</b>                    |

### Note 12: Other Current Assets

| Particulars  | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|--|---------------------------------|---------------------------------|
| <b>a Advances to related parties</b>                     |                                 |                                 |
| - Assam Timbers Pvt. Ltd.                                | -                               | 77.32                           |
| <b>b Others</b>  |                                 |                                 |
| Prepaid expenses   | 94.12                           | 69.60                           |
| Balance With Revenue Authorities                         | 208.48                          | 100.29                          |
| Advance for Supply of Goods/Services                     | 69.98                           | 56.11                           |
| Other Receivable*  | -                               | 396.04                          |
| *(includes insurance receivable Nil (P.Y 394.99 Lakhs))  |                                 |                                 |
| Other Advances<br>(includes Related Party Nil (P.Y Nil)) | 332.72                          | 255.84                          |
|  | <b>705.30</b>                   | <b>955.19</b>                   |

### Note 13: Equity Share Capital

| Particulars  | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|--|---------------------------------|---------------------------------|
| <b>AUTHORIZED</b>  |                                 |                                 |
| 2,50,00,000 Equity Shares of ₹10.00 each<br>(P.Y 2,50,00,000 Equity Shares of ₹10 each)    | 2,500.00                        | 2,500.00                        |
| <b>ISSUED, SUBSCRIBED, AND PAID UP</b>   |                                 |                                 |
| 1,98,65,000 Equity Shares of ₹10.00 each<br>(Previous year 1,98,65,000 shares of ₹10 each) | 1,986.50                        | 1,986.50                        |
|  | <b>1,986.50</b>                 | <b>1,986.50</b>                 |

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023

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

| Name of Shareholder               | As at 31.03.2023 |             | As at 31.03.2022 |             |
|-----------------------------------|------------------|-------------|------------------|-------------|
|                                   | No of Shares     | % of Shares | No of Shares     | % of Shares |
| Assam Timber Products Pvt Ltd     | 22,55,786        | 11.36       | 22,55,786        | 11.36       |
| Vanraj Suppliers Pvt Ltd          | 39,43,509        | 19.85       | 39,43,509        | 19.85       |
| Ravi Marketing & Services Pvt Ltd | 28,27,850        | 14.24       | 28,27,850        | 14.24       |
| The Mysore Chipboards Limited     | 17,97,431        | 9.05        | 17,97,431        | 9.05        |

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

| Particular  | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| Outstanding as at beginning of the reporting period | 1,98,65,000      | 1,98,65,000      |
| Add: Shares issued during the year                  | -                | -                |
| Less: Shares extinguished on buy-back               | -                | -                |
| Outstanding as at end of the Reporting period       | 1,98,65,000      | 1,98,65,000      |

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

### d. Disclosure of Shareholding of Promoters

| Name of Shareholder               | As at 31.03.2023              |              | % change during the year | As at 31.03.2022              |              |
|-----------------------------------|-------------------------------|--------------|--------------------------|-------------------------------|--------------|
|                                   | No of Shares as at 31.03.2023 | % of Shares  |                          | No of Shares as at 31.03.2022 | % of Shares  |
| Shyam Daga                        | 5,73,685                      | 2.89         | -                        | 5,73,685                      | 2.89         |
| Sangeeta Bharadia                 | 4,100                         | 0.02         | -                        | 4,100                         | 0.02         |
| Deen Dayal Daga                   | 7,71,620                      | 3.88         | -                        | 7,71,620                      | 3.88         |
| Usha Daga                         | 7,60,300                      | 3.83         | -                        | 7,60,300                      | 3.83         |
| Deen Dayal Daga (HUF)             | 20,000                        | 0.10         | -                        | 20,000                        | 0.10         |
| Rajiv Daga                        | 6,51,342                      | 3.28         | -                        | 6,51,342                      | 3.28         |
| Assam Timber Products Pvt Ltd     | 22,55,786                     | 11.36        | -                        | 22,55,786                     | 11.36        |
| Vanraj Suppliers Pvt Ltd          | 39,43,509                     | 19.85        | -                        | 39,43,509                     | 19.85        |
| Ravi Marketing & Services Pvt Ltd | 28,27,850                     | 14.24        | -                        | 28,27,850                     | 14.24        |
| The Mysore Chipboards Limited     | 17,97,431                     | 9.05         | -                        | 17,97,431                     | 9.05         |
| Shree Shyam Tea Pvt Ltd           | 2,77,900                      | 1.40         | -                        | 2,77,900                      | 1.40         |
|                                   | <b>1,38,83,523</b>            | <b>69.89</b> |                          | <b>1,38,83,523</b>            | <b>69.89</b> |

### e. Equity shares movement during the 5 years preceding March 31, 2023

#### Equity shares extinguished on buy-back

In the Financial Year 2020-2021, the Company has Bought back its 22,00,000 equity shares @₹37/- per share amounting to ₹ 8.14 Crores being 9.97% of the total equity share. The equity shares bought back were extinguished on March 17, 2021.

The Company does not have any Holding/ Ultimate Holding Company. As such, no shares are held by them or their Subsidiaries/ Associates.

There are NIL ( Previous year NIL) shares reserved for issue under option and contracts/commitment for the sale of shares/ disinvestment.

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note 14: Other Equity

| Particulars                          | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|--------------------------------------|---------------------------------|---------------------------------|
| Share Premium                        | 880.16                          | 880.16                          |
| Capital Subsidy                      | 30.00                           | 30.00                           |
| Capital Redemption Reserve           | 220.00                          | 220.00                          |
| Retained Earnings                    |                                 |                                 |
| Balance at the beginning of the year | 6,098.13                        | 5,252.44                        |
| Profit for the Year                  | 1,225.13                        | 845.69                          |
| Balance at the end of the year       | 7,323.26                        | 6,098.13                        |
| Other Comprehensive Income           |                                 |                                 |
| Balance at the beginning of the year | 9.99                            | (5.29)                          |
| Other Comprehensive Income/(Loss)    | (68.84)                         | -                               |
| Balance at the end of the year       | (58.85)                         | (5.29)                          |
| <b>Total</b>                         | <b>8,394.57</b>                 | <b>7,223.00</b>                 |

**Share Premium :-** This Share Premium had been created on issue of shares by way of public issue and right issue.

**Capital Subsidy :-** Subsidy received in the Financial year 2011-12 towards setting up of the Laminates division.

**Capital Redemption Reserve:-** This reserve was created upon buy back of equity shares in FY 2020-21

**Retained Earnings:** Amount of retained earnings represents accumulated profit and losses of the Company as on reporting date. Such profits and losses are after adjustment of payment of dividend, transfer to any reserves as statutorily required and adjustment for remeasurement gain loss on defined benefit plan.

### Note 15: Financial Non-Current Borrowings

| Particulars                   | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|-------------------------------|---------------------------------|---------------------------------|
| <b>a) Secured</b>             |                                 |                                 |
| Term Loans - Vehicle*         | 2.82                            | 6.52                            |
| Term Loans - COVID 19 Demand# | -                               | 65.48                           |
| Term Loans - Project##        | 1,912.80                        | -                               |
| <b>Total</b>                  | <b>1,915.62</b>                 | <b>72.00</b>                    |

| Particulars                                | Final repayment | As at 31.03.2023 | As at 31.03.2022 |
|--|-----------------|------------------|------------------|
| Term Loans - Vehicle                       |                 |                  |                  |
| - HDFC Bank Ltd.                           | Sep-23          | 0.79             | 2.27             |
| - HDFC Bank Ltd.                           | Jan-24          | 2.02             | 4.25             |
| Term Loans - COVID 19 Demand               |                 |                  |                  |
| - State Bank of India                      | Jun-22          | -                | 65.48            |
| Term Loans - Project                       |                 |                  |                  |
| - HDFC Bank Ltd.                           |                 | 921.46           | -                |
| - State Bank of India                      |                 | 991.35           | -                |
|  |                 | 1,915.62         | 72.00            |
| Less: Current maturities of long term debt |                 | 2.82             | 69.19            |
|  |                 | 1,912.80         | 2.82             |

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

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

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023

### ## HDFC Bank Security

| Limit  | Primary Security   | Collateral security  |  |
|--|--|--|--|
|  |  | Immovable Property   | Third party Guarantee  |
| <b>Project Capex :</b> Term Loan of ₹ 3900 Lakhs | First pari - passu charge with SBI Bank on assets created/ plant & machinery purchased out of proposed term loan | First pari - passu charge with HDFC Bank on all fixed assets mentioned below<br>a) Factory Land & Building in the name of the Company Situated at plot no 10, Sector 01, IIE, Sitarganj, Phase -II, Udham Singh Nagar admeasuring 101278 Sq Meters<br>b) Land & Building in name of A.T.P Silvi Product Ltd. now Archidply industries Ltd Situated at khasra no 249, Fulsungi Village, Tehsil -Khicha, Udham Singh Nagar admeasuring 9110 Sq. Meters | Corporate guarantee : Archidply Industries Ltd ('The company')<br>Personal Guarantee :<br>1. Shri Rajiv Daga<br>2.Shri Deen Dayal Daga |

Term loan repayable within 20 equal quarterly installments starting from January 2025 ie after 2 years of moratorium

### ## State bank of India Security

| Limit  | Primary Security  | Collateral security  |  |
|--|---|--|--|
|  |   | Immovable Property   | Third party Guarantee  |
| <b>Fund based :</b> Term loan ₹ 4200 Lakhs   | First pari - passu charge with HDFC Bank on assets created/ plant & machinery purchased out of proposed term loan | First pari - passu charge with HDFC Bank on all fixed assets mentioned below<br>a) Factory Land & Building in the name of the Company Situated at plot no 10, Sector 01, IIE, Sitarganj, Phase -II, Udham Singh Nagar admeasuring 101278 Sq Meters<br>b) Land & Building in name of A.T.P Silvi Product Ltd. now Archidply industries Ltd Situated at khasra no 249, Fulsungi Village, Tehsil -Khicha, Udham Singh Nagar admeasuring 9110 Sq. Meters | Corporate guarantee : Archidply Industries Ltd ('The company')<br>Personal Guarantee :<br>1. Shri Rajiv Daga<br>2.Shri Deen Dayal Daga |
| <b>Non Fund based :</b> (a) Capex LC ₹1500 Lakhs (as a sub limit of Term loan) (b) Forward Contract/Derivative limit of ₹1500 Lakhs entailing Credit Exposure limit of ₹30 Lakhs |   |  |  |

Term loan repayable within 20 equal quarterly installments starting from January 2025 ie after 2 years of moratorium

### Note 16: Provisions

| Particulars  | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|--|---------------------------------|---------------------------------|
| <b>Provision for Employee Benefits</b>                       |                                 |                                 |
| Provision for Gratuity                                       | 474.54                          | 380.45                          |
| Less: Short Term Provision                                   | 94.77                           | 99.83                           |
| (Includes Related Party ₹84.26 Lakhs/-(P.Y 62,62 Lakhs/-))   | 379.77                          | 280.61                          |
| Provision for Leave Encashment                               | 299.78                          | 285.00                          |
| Less: Short Term Provision                                   | 80.35                           | 91.24                           |
| (Includes Related Party ₹126.28 Lakhs/-(P.Y 128.59 Lakhs/-)) | 219.43                          | 193.76                          |
|  | <b>599.20</b>                   | <b>474.37</b>                   |

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note 17: Other Non Current Liabilities

| Particulars                  | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|------------------------------|---------------------------------|---------------------------------|
| <b>Government Subsidy</b>    |                                 |                                 |
| Received during the year     | 329.05                          | -                               |
| Less: Depreciation withdrawn | 169.71                          | -                               |
|                              | 159.33                          | -                               |
|                              |                                 |                                 |
|                              | <b>159.33</b>                   | <b>-</b>                        |

During the year Asset related government grant received on Plant & Machinery and the same has been accounted for as deferred revenue and depreciation withdrawn proportionately recognised in Statement of Profit and Loss.

### Note 18: Financial Current Borrowings

| Particulars                | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|----------------------------|---------------------------------|---------------------------------|
| <b>a. Secured</b>          |                                 |                                 |
| <b>Repayable on demand</b> |                                 |                                 |
| Bank overdraft/Cash Credit | 6,119.82                        | 5,305.50                        |
|                            | <b>6,119.82</b>                 | <b>5,305.50</b>                 |

| Particulars          | As at 31.03.2023 | As at 31.03.2022 |
|----------------------|------------------|------------------|
| State Bank Of India* | 3,398.16         | 3,400.63         |
| HDFC Bank#           | 2,721.66         | 1,904.86         |

(\*Working capital loan from SBI Bank of ₹4000 Lakhs is secured by 1<sup>st</sup> Pari Passu charge on entire current assets Stock and book debts of the company both present and future and collateral charge 1<sup>st</sup> Pari Passu on fixed assets both present and future of the company and personal guarantee of promoter directors.)

(#Working capital loan from HDFC Bank of ₹ 3000 Lakhs is Secured by 1<sup>st</sup> Pari Passu charge on entire Current assets of the company both present and future and collateral security 1<sup>st</sup> Pari Passu on fixed assets both present and future of the company and personal guarantee of 2 Promoter Directors.)

| Particulars   | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---|---------------------------------|---------------------------------|
| <b>b. Secured</b>   |                                 |                                 |
| <b>Current Maturities of long term debt</b>                                       |                                 |                                 |
| - Term Loan   | 2.82                            | 69.19                           |
| <b>c. Unsecured</b>   |                                 |                                 |
| From Body Corporate (Related party)   | 220.00                          | -                               |
| Assam Timber Products Private Limited<br>(Repayable on demand, Interest @ 9% p.a) |                                 |                                 |
|   | <b>222.82</b>                   | <b>69.19</b>                    |
|   | <b>6,342.64</b>                 | <b>5,374.68</b>                 |

### Note 19: Trade Payables\*

| Particulars                         | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|-------------------------------------|---------------------------------|---------------------------------|
| - Undisputed Micro, Small & Medium  | 1,638.15                        | 752.01                          |
| - Disputed Micro, Small & Medium    | -                               | 5.75                            |
| - Undisputed Creditors for Goods    | 1,968.59                        | 2,633.81                        |
| - Undisputed Creditors for Services | 412.68                          | 366.17                          |
|                                     | <b>4,019.43</b>                 | <b>3,757.74</b>                 |

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023

\* The above payable is from the date of purchase transactions

\* Trade payables & acceptances are non interest bearing

| Trade Payables                      | Less than 1 year | 1-2 years   | 2-3 years | More than 3 years | Total as on 31.03.2023 |
|-------------------------------------|------------------|-------------|-----------|-------------------|------------------------|
| - Undisputed Micro, Small & Medium  | 1,638.15         | -           | -         | -                 | 1,638.15               |
| - Disputed Micro, Small & Medium    | -                | -           | -         | -                 | -                      |
| - Undisputed Creditors for Goods    | 1,968.59         | -           | -         | -                 | 1,968.59               |
| - Undisputed Creditors for Services | 412.64           | 0.04        | -         | -                 | 412.68                 |
|                                     | <b>4,019.38</b>  | <b>0.04</b> | -         | -                 | <b>4,019.43</b>        |

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

### Note 20: Other Financial Liabilities

| Particulars                     | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---------------------------------|---------------------------------|---------------------------------|
| Statutory Payables              | 272.68                          | 225.64                          |
| Other Payables*                 | 247.66                          | 126.56                          |
| *(It includes expenses payable) |                                 |                                 |
|                                 | <b>520.34</b>                   | <b>352.19</b>                   |

### Note 21: Current Provisions

| Particulars                               | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---|---------------------------------|---------------------------------|
| <b>a. Provision for Employee Benefits</b> |                                 |                                 |
| Provision for gratuity                    | 94.77                           | 99.83                           |
| Provision for leave encashment            | 80.35                           | 91.24                           |
| Other Employee Provisions                 | 267.78                          | 255.82                          |
| (Includes Related Party NIL (P.Y Nil))    | <b>442.90</b>                   | <b>446.89</b>                   |
| <b>b. Others</b>                          |                                 |                                 |
| Cash Discount Payable                     | 71.71                           | 31.14                           |
| Other Expenses Payable                    | 88.22                           | 82.53                           |
| Quality Complaint Payable                 | 15.40                           | 9.26                            |
| Provision for Scheme                      | 63.87                           | 39.02                           |
|   | <b>239.20</b>                   | <b>161.95</b>                   |
|   | <b>682.10</b>                   | <b>608.85</b>                   |

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note 22: Other Current Liabilities

| Particulars   | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---|---------------------------------|---------------------------------|
| <b>a Income received in advance</b>                     |                                 |                                 |
| Advance from customers                                  | 77.59                           | 86.47                           |
| (Includes Related Party ₹40.16 Lakhs/-(P.Y 9.88 Lakhs)) | <b>77.59</b>                    | <b>86.47</b>                    |
| <b>b Others</b>   |                                 |                                 |
| Security Deposit from Vendors                           | 55.30                           | 13.05                           |
|   | <b>55.30</b>                    | <b>13.05</b>                    |
|   | <b>132.89</b>                   | <b>99.52</b>                    |

### Note 23: Current Income Tax Liabilities(Net)

| Particulars               | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---------------------------|---------------------------------|---------------------------------|
| Provision for Tax         | 423.00                          | 345.00                          |
| (Less) Advance Tax        | (350.00)                        | (300.00)                        |
| (Less) TDS/TCS Receivable | (14.89)                         | (12.50)                         |
|                           | <b>58.11</b>                    | <b>32.50</b>                    |
|                           | <b>58.11</b>                    | <b>32.50</b>                    |

### Reconciliation of estimated Income tax expenses at Indian Statutory Income tax rate to Income tax expenses reported in the Statement of Profit & Loss

| Particulars   | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---|---------------------------------|---------------------------------|
| Accounting profit before tax                                  | 1,654.69                        | 1,161.69                        |
| At Statutory income tax rate                                  | 25.17%                          | 25.17%                          |
| Estimated tax expenses  | <b>416.45</b>                   | <b>292.83</b>                   |
| Expenses not deductible for tax purpose                       | (9.79)                          | 20.26                           |
| Deferred tax  | 16.34                           | 31.92                           |
|   |                                 |                                 |
| <b>Total tax reported in the statement of profit and loss</b> | <b>423.00</b>                   | <b>345.00</b>                   |

### Note 24: Revenue From Operations

| Particulars                           | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---------------------------------------|---------------------------------|---------------------------------|
| <b>Sale of Products</b>               |                                 |                                 |
| Manufactured Goods                    | 26,599.21                       | 22,362.02                       |
| Trading Goods                         | 15,470.90                       | 8,141.57                        |
| Other sales                           | 22.79                           | 64.45                           |
|                                       | <b>42,092.89</b>                | <b>30,568.03</b>                |
| <b>Other Operating Revenue</b>        |                                 |                                 |
| Royalty on use of brand name          | 82.03                           | 59.88                           |
| Export Incentive                      | -                               | 0.41                            |
|                                       | <b>82.03</b>                    | <b>60.30</b>                    |
|                                       | <b>42,174.92</b>                | <b>30,628.33</b>                |
| <b>Particular of sale of products</b> |                                 |                                 |
| Decorative Laminate                   | 15,647.38                       | 13,399.49                       |
| Plywood/Blockboard/Flush Doors        | 25,375.20                       | 17,089.90                       |
| MDF Board                             | 1,039.39                        | -                               |
| Others                                | 30.93                           | 78.64                           |
|                                       | <b>42,092.89</b>                | <b>30,568.03</b>                |



## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note 25: Other Income

| Particulars                                      | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|--|---------------------------------|---------------------------------|
| Interest Received                                | 15.97                           | 9.45                            |
| Dividend Received                                | -                               | 0.00                            |
| Foreign exchange Gain                            | 31.07                           | 14.69                           |
| Balance written back                             | 10.69                           | 36.24                           |
| Profit on Sale of Investment                     | 0.32                            | 3.36                            |
| Prior period Income                              | -                               | 5.31                            |
| Depreciation withdrawn Deferred Government grant | 169.71                          | -                               |
| Other Non Operating Income                       | 5.09                            | 20.48                           |
|  | <b>232.85</b>                   | <b>89.53</b>                    |

### Note 26: Cost of Material Consumed

| Particulars           | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|-----------------------|---------------------------------|---------------------------------|
| Raw Material Consumed |                                 |                                 |
| Opening Stock         | 1,757.18                        | 1,855.68                        |
| Add: Purchases        | 15,164.62                       | 13,450.14                       |
| Less: Closing Stock   | 1,892.74                        | 1,757.18                        |
|                       | <b>15,029.06</b>                | <b>13,548.64</b>                |

| Imported and Indigenous Raw Materials Consumed: | Year Ended 31.03.2023 |                  | Year Ended 31.03.2022 |                  |
|---|-----------------------|------------------|-----------------------|------------------|
|   | %                     | Amount in Lakhs  | %                     | Amount in Lakhs  |
| Imported  | 8.33%                 | 1,252.35         | 7.08%                 | 959.76           |
| Indigenous                                      | 91.67%                | 13,776.70        | 92.92%                | 12,588.87        |
|   | <b>100.00%</b>        | <b>15,029.06</b> | <b>100.00%</b>        | <b>13,548.64</b> |

| Break up of Raw Materials Consumed (As certified by Management) | Year Ended 31.03.2023 |                  | Year Ended 31.03.2022 |                  |
|---|-----------------------|------------------|-----------------------|------------------|
|   | Qty                   | Amount in Lakhs  | Qty                   | Amount in Lakhs  |
| Paper in Kgs  | 82,04,931             | 4,982.36         | 84,65,015             | 4,738.59         |
| Timber in Cbm   | 25,003                | 2,792.98         | 33,005                | 2,730.13         |
| Veener(incl own production) in sq. mtr                          | 29,42,696             | 585.77           | 26,73,941             | 578.38           |
| Core Veneer in Cbm  | 7,900                 | 1,209.31         | 1,454                 | 195.46           |
| Chemicals in Kgs  | 80,14,414             | 4,735.81         | 79,29,659             | 4,833.72         |
| Others  |                       | 722.83           |                       | 472.36           |
|   | <b>1,91,94,944</b>    | <b>15,029.06</b> | <b>1,91,03,074</b>    | <b>13,548.64</b> |

### Note 27: Purchase of Stock in trade

| Particulars                               | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---|---------------------------------|---------------------------------|
| Plywood, Block Board, Flush Doors and MDF | 13,349.82                       | 6,707.17                        |
|   | <b>13,349.82</b>                | <b>6,707.17</b>                 |

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note 28: Changes in Inventory of Finished Goods, Work in process & Stock in trade

| Particulars                           | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---------------------------------------|---------------------------------|---------------------------------|
| <b>Inventories (at close)</b>         |                                 |                                 |
| Finished Goods & WIP                  | 2,236.78                        | 2,711.88                        |
| WIP                                   | 17.90                           | 60.41                           |
| Stock-in-Trade                        | 628.94                          | 329.51                          |
| <b>Inventories (at commencement)</b>  |                                 |                                 |
| Finished Goods & WIP                  | 2,711.88                        | 2,037.33                        |
| WIP                                   | 60.41                           | 25.31                           |
| Stock-in-Trade                        | 329.51                          | 388.68                          |
| <b>(Increase) / Decrease in Stock</b> | <b>218.19</b>                   | <b>(650.48)</b>                 |

### Note 29: Employee Benefit Expenses

| Particulars  | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|--|---------------------------------|---------------------------------|
| Salaries and Wages   | 2,468.71                        | 2,222.77                        |
| Director Remuneration  | 110.95                          | 120.70                          |
| Contribution to and provisions for provident and other funds | 302.21                          | 291.07                          |
| Staff Welfare Expenses                                       | 19.81                           | 14.88                           |
| Employee Insurance Expense                                   | 10.87                           | 12.73                           |
|  | <b>2,912.55</b>                 | <b>2,662.17</b>                 |

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

| Particulars     | Year ended March<br>31 <sup>st</sup> 2023 | Year ended March<br>31 <sup>st</sup> 2022 |
|-----------------|---|---|
| Salary & Perks  | 106.80                                    | 115.20                                    |
| Sitting Fees    | 4.15                                      | 5.10                                      |
| Club Membership | -   | 0.40                                      |

### Note 30: Finance cost

| Particulars                                     | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---|---------------------------------|---------------------------------|
| Interest on Term Loans                          | -                               | 31.08                           |
| Interest on Working Capital borrowings          | 487.76                          | 354.57                          |
| Interest on Unsecured Loan                      | 20.52                           | -                               |
| Other Interest                                  | 1.93                            | 1.10                            |
| Interest on statutory Liabilities               | 20.93                           | 16.35                           |
| Bank charges, L C Charges & Discounting Charges | 12.73                           | 31.40                           |
| Processing Charges                              | 32.44                           | 33.08                           |
|   | <b>576.32</b>                   | <b>467.58</b>                   |

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note 31: Other Expenses

| Particulars                     | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|---------------------------------|---------------------------------|---------------------------------|
| <b>a Manufacturing Expenses</b> |                                 |                                 |
| Stores and Spares consumed *    | 558.40                          | 468.39                          |
| Packing Charges                 | 203.68                          | 234.72                          |
| Processing Charges              | 763.29                          | 661.35                          |
| Power and fuel consumed         | 1,123.97                        | 999.50                          |
| Repairs to Plant and Machinery  | 38.90                           | 18.02                           |
| Repairs to Building             | 3.77                            | 3.03                            |
| Repairs to Others               | 4.00                            | 4.26                            |
|                                 | <b>2,696.01</b>                 | <b>2,389.25</b>                 |

#### \*Imported and Indigenous Stores and Spare Parts Consumed:

| Particulars | Year Ended 31.03.2023 |                 | Year Ended 31.03.2022 |                 |
|-------------|-----------------------|-----------------|-----------------------|-----------------|
|             | %                     | Amount in Lakhs | %                     | Amount in Lakhs |
| Imported    | 0.46%                 | 2.55            | 0.00%                 | -               |
| Indigenous  | 99.54%                | 555.85          | 100.00%               | 468.39          |
|             | <b>100.00%</b>        | <b>558.40</b>   | <b>100.00%</b>        | <b>468.39</b>   |

| Particulars   | 31.03.2023<br>(Amount in Lakhs) |                 | 31.03.2022<br>(Amount in Lakhs) |                 |
|---|---------------------------------|-----------------|---------------------------------|-----------------|
| <b>b Selling, Distribution, Administrative and Other Expenses</b> |                                 |                 |                                 |                 |
| Rent  |                                 | 209.04          |                                 | 204.06          |
| Rates and Taxes   |                                 | 114.59          |                                 | 32.46           |
| Printing and Stationery   |                                 | 8.40            |                                 | 4.74            |
| Postage, Telephone and Telegram                                   |                                 | 43.08           |                                 | 36.06           |
| Insurance   |                                 | 73.67           |                                 | 57.89           |
| Legal, License and Professional Fees                              |                                 | 140.15          |                                 | 131.61          |
| Repairs & Maintenance Expenses                                    |                                 | 75.57           |                                 | 70.76           |
| Auditors Remuneration   |                                 | 5.30            |                                 | 5.23            |
| Travelling and conveyance   |                                 | 273.72          |                                 | 207.91          |
| Commission on sales and samples                                   |                                 | 182.91          |                                 | 125.92          |
| Sample Folders Sales  |                                 | 377.12          |                                 | 246.51          |
| Freight, forwarding and other expenses                            |                                 | 2,015.11        |                                 | 1,572.67        |
| Vehicle Running Expenses  |                                 | 18.18           |                                 | 11.95           |
| Sales Promotion and Advertisement Expenses                        |                                 | 1,333.84        |                                 | 752.93          |
| Discount & Rebates  |                                 | 437.96          |                                 | 310.95          |
| Claims and Bad debts written off                                  | 158.42                          | -               | 101.98                          | -               |
| Less: Reversal of Provision for Bad Debts                         | 52.53                           | 105.90          | -                               | 101.98          |
| CSR Discharged  |                                 | 16.10           |                                 | 13.22           |
| Other Expenses  |                                 | 130.25          |                                 | 114.33          |
| Impairment Loss on Fixed Asset                                    |                                 | 1.99            |                                 | 24.28           |
| Loss on sale of Fixed Assets                                      |                                 | 3.01            |                                 | 1.73            |
| Pre Operative Expense   |                                 | 3.66            |                                 | 1.79            |
| Prior Period Expenses   |                                 | 0.63            |                                 | -               |
|   |                                 | <b>5,570.17</b> |                                 | <b>4,028.99</b> |
| Grand Total(a + b)  |                                 | <b>8,266.18</b> |                                 | <b>6,418.24</b> |

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note 32: Auditors Remuneration

| Particulars            | Year Ended<br>31.03.2023 | Year Ended<br>31.03.2022 |
|------------------------|--------------------------|--------------------------|
| a) Statutory Audit Fee | 4.30                     | 4.00                     |
| b) Tax Audit Fee       | 1.00                     | 1.00                     |
| c) For others Fee      | -                        | 0.23                     |
| <b>Total</b>           | <b>5.30</b>              | <b>5.23</b>              |

### Note 33: Value of Imports on CIF basis in respect of:

| Particulars                | Year Ended 31.03.2023 |                 | Year Ended 31.03.2022 |                 |
|----------------------------|-----------------------|-----------------|-----------------------|-----------------|
|                            | %                     | Amount in Lakhs | %                     | Amount in Lakhs |
| i) Raw Materials           | 98.87%                | 2,439.23        | 94.16%                | 1,114.72        |
| ii) Stores and spare parts | 0.09%                 | 2.24            | 0.10%                 | 1.18            |
| iii) Capital Goods         | 1.04%                 | 25.59           | 5.74%                 | 67.99           |
| <b>Total</b>               | <b>100.00%</b>        | <b>2,467.05</b> | <b>100.00%</b>        | <b>1,183.90</b> |

### Note 34a: Expenditure in Foreign Currency

| Particulars                 | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|-----------------------------|---------------------------------|---------------------------------|
| a) Foreign travelling       | 0.82                            | -                               |
| b) Sales Promotion Expenses | 0.92                            | -                               |
| c) Import of goods          | 1,338.39                        | 1,183.90                        |
|                             | <b>1,340.13</b>                 | <b>1,183.90</b>                 |

### Note 34b: Earnings in Foreign Currency

| Particulars                | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|----------------------------|---------------------------------|---------------------------------|
| Export of goods(FOB value) | 1,166.06                        | 897.93                          |
|                            | <b>1,166.06</b>                 | <b>897.93</b>                   |

### Note 35: Contingent Liabilities & Commitments(To the extent not provided for)

| Particulars  | 31.03.2023<br>(Amount in Lakhs) | 31.03.2022<br>(Amount in Lakhs) |
|--|---------------------------------|---------------------------------|
| <b>Contingent Liabilities</b>  |                                 |                                 |
| Excise Duty  | 81.02                           | 81.02                           |
| Income tax   | 80.33                           | 728.86                          |
| Guarantees given by the bank on behalf of the Company  | 33.99                           | 149.97                          |
| Guarantees given to Bank by the Company.   | 11,530.00                       | 2,500.00                        |
| Vendor   | 27.29                           | 27.29                           |
| <b>Commitments</b>   |                                 |                                 |
| Estimated amount of Contracts remaining to be executed on capital account and not provided for | 2365.33 Lakhs                   | Nil                             |
| Other Commitments  | Nil                             | Nil                             |

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note: - 36: Segment Reporting

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

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

- i) Wood based products: Plywood, Block Board
- ii) Paper based products: Laminated Sheets (HPL).

The segment information has been prepared in conformity with the Accounting Policies for preparing and presenting the financial statements of the Company.

Segment revenue and results includes manufacturing as well as trading activities for the same segment product. Segment current assets and liabilities are taken on the basis of the turnover of the segment.

The following table presents the information relating to profit, assets and liabilities of the operating segment. (Primary Segment) of the Company.

The Unallocated Segment includes general corporate income and expense items, which are not allocated to any business segment.

(Amount in Lakhs)

| Particulars                                     | Wood Based          |                     | Paper Based         |                     | TOTAL               |                     |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|   | As at<br>31.03.2023 | As at<br>31.03.2022 | As at<br>31.03.2023 | As at<br>31.03.2022 | As at<br>31.03.2023 | As at<br>31.03.2022 |
| External Sales                                  | 26,445.51           | 17,139.72           | 15,647.38           | 13,428.32           | 42,092.89           | 30,568.03           |
| Other Sales                                     | -                   | -                   | -                   | -                   | -                   | -                   |
| Royalty Income                                  | 82.03               | 59.88               | -                   | -                   | 82.03               | 59.88               |
| Other Operating Income                          | -                   | -                   | -                   | -                   | -                   | 0.41                |
| <b>Total Revenue</b>                            | <b>26,527.54</b>    | <b>17,199.60</b>    | <b>15,647.38</b>    | <b>13,428.32</b>    | <b>42,174.92</b>    | <b>30,628.33</b>    |
| <b>RESULTS</b>                                  |                     |                     |                     |                     |                     |                     |
| Segment Results                                 | 3,950.48            | 4,875.05            | 3,652.92            | 3,773.30            | <b>7,603.40</b>     | <b>8,648.35</b>     |
| Interest  | -                   | -                   | -                   | -                   | 576.32              | 467.58              |
| Other Unallocable Income                        | -                   | -                   | -                   | -                   | 314.88              | 149.83              |
| Other Unallocable Expenditure                   | -                   | -                   | -                   | -                   | 5,687.26            | 7,168.90            |
| Provision for Taxation                          | -                   | -                   | -                   | -                   | 429.56              | 316.00              |
| Net Profit after tax                            | -                   | -                   | -                   | -                   | <b>1,225.13</b>     | <b>845.69</b>       |
| <b>OTHER INFORMATION</b>                        |                     |                     |                     |                     |                     |                     |
| Assets  |                     |                     |                     |                     |                     |                     |
| Segment Assets                                  | 15,410.23           | 9,419.26            | 7,131.61            | 8,377.76            | 22,541.84           | 17,797.02           |
| Unallocable Assets                              | -                   | -                   | -                   | -                   | 2,266.08            | 2,130.43            |
| <b>Total Assets :</b>                           |                     |                     |                     |                     | <b>24,807.92</b>    | <b>19,927.45</b>    |
| Liabilities                                     |                     |                     |                     |                     |                     |                     |
| Segment Liabilities                             | 3,877.28            | 2,985.86            | 2,294.12            | 2,339.31            | 6,171.40            | 5,325.17            |
| Unallocable Liabilities                         | -                   | -                   | -                   | -                   | 18,636.52           | 14,602.29           |
| <b>Total Liabilities :</b>                      |                     |                     |                     |                     | <b>24,807.92</b>    | <b>19,927.45</b>    |
| Capital Expenditure during the year.            | 18.79               | 9.41                | 31.19               | 89.17               | 49.98               | 98.58               |
| Capital Expenditure during the year Unallocable | -                   | -                   | -                   | -                   | 3,531.81            | 30.93               |
| Depreciation and Amortization                   | 81.02               | 81.36               | 196.56              | 194.99              | 277.58              | 276.35              |
| Depreciation and Amortization (Unallocable)     | -                   | -                   | -                   | -                   | 123.38              | 126.51              |

### Secondary Segment Reporting:

The Company has no reportable secondary segment.

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note 37: Valuation of Gratuity

#### Actuarial Valuation Assumption Used for Valuation

##### Economic Assumptions

| Date of Valuation                 | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|-----------------------------------|-----------------------------|-----------------------------|
| Discount Rate                     | 7.30%                       | 6.95%                       |
| Salary Escalation Rate            | 12.00%                      | 10.00%                      |
| Expected Rate of Return on Assets | N.A.                        | N.A.                        |
| Attrition Rate                    | 10.12%                      | 13.00%                      |
| Retirement Age                    | 58 Years                    | 58 Years                    |

(Amount in Lakhs)

| Amounts in Balance Sheet at Period-End        | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---|-----------------------------|-----------------------------|
| Closing Defined Defined Benefit Obligation    | 474.54                      | 380.45                      |
| Closing Fair value of Plan Assets             | -                           | -                           |
| Unrecognized Prior Service Cost               | -                           | -                           |
| Limit under Para 59 (b)                       | -                           | -                           |
| <b>Net Amount Recognized in Balance Sheet</b> | <b>474.54</b>               | <b>380.45</b>               |

(Amount in Lakhs)

| Amounts Recognised in Statement of Profit & Loss at Period-End | 1 <sup>st</sup> April 2022 to 31 <sup>st</sup> March 2023 | 1 <sup>st</sup> April 2021 to 31 <sup>st</sup> March 2022 |
|--|---|---|
| Company Service Cost - CY                                      | 45.46   | 40.42   |
| Interest Cost - CY   | 26.13   | 22.58   |
| Expected Return on Assets - CY                                 | -   | -   |
| Past Service Cost - CY   | -   | -   |
| Actuarial (Gains)/Losses - CY                                  | 91.00   | (11.62)   |
| Other Adjustments - CY   | -   | -   |
| <b>Net Periodic Benefit Cost/(Income) - CY</b>                 | <b>162.59</b>   | <b>51.38</b>  |

(Amount in Lakhs)

| Current / Non Current Bifurcation                        | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|--|-----------------------------|-----------------------------|
| Current Liability  | 94.77                       | 99.83                       |
| Non Current Liability                                    | 379.77                      | 280.61                      |
| <b>(Asset)/Liability Recognised in the Balance Sheet</b> | <b>474.54</b>               | <b>380.45</b>               |

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023

(Amount in Lakhs)

| Change in Defined Benefit Obligation during the period | 1 <sup>st</sup> April 2022 to<br>31 <sup>st</sup> March 2023 | 1 <sup>st</sup> April 2021 to<br>31 <sup>st</sup> March 2022 |
|--|--|--|
| Opening Defined Benefit Obligation                     | 380.45   | 347.33   |
| Current Service Cost                                   | 45.46  | 40.42  |
| Interest Cost  | 26.13  | 22.58  |
| Plan Participants' Contributions                       |  |  |
| Actuarial (Gain)/Loss                                  | 91.00  | (11.62)  |
| Acquisition/Divestiture - L                            | -  | -  |
| Benefits Paid  | (68.49)  | (18.27)  |
| Past Service Cost                                      |  |  |
| Currency Impact  |  |  |
| Curtailments   |  |  |
| Settlements  |  |  |
| <b>Closing Defined Benefit Obligation</b>              | <b>474.54</b>  | <b>380.45</b>  |

(Amount in Lakhs)

| Reconciliation of Amounts Recognised in Balance Sheet | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---|-----------------------------|-----------------------------|
| Op. Balance Sheet                                     | 380.45                      | 347.33                      |
| P&L   | 162.59                      | 51.38                       |
| Contributions/Benefits Paid                           | (68.49)                     | (18.27)                     |
| Acquisition / Divestiture                             | -                           | -                           |
| Other Adjustment                                      |                             |                             |
| <b>Cl. Balance Sheet</b>                              | <b>474.54</b>               | <b>380.45</b>               |

### Note: - 38 Corporate social responsibility (CSR) Activity

CSR amount required to be spent as per section 135 of the companies Act, 2013 read with Schedule VII thereof by the company during the year is Rs 15.19 Lakhs (Previous year ₹ 13.02 Lakhs) based on Average profit of last 3 years i.e. ₹759.47 Lakhs (Previous year ₹651.08 Lakhs).

During the year, the company has fulfilled its Corporate Social Responsibility by spending ₹16.10 Lakhs (P.Y. ₹13.22 Lakhs) towards corporate social responsibility (CSR) under Section 135 of the Companies Act, 2013 and rules thereon by way of contribution to Trust for Education Activity (Previous year towards Foundation for schools' project advance based technology).

### Note: - 39 Earning Per Share:

Basic earnings (loss) per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

| Particulars   | Year ended<br>March 31 <sup>st</sup> 2023 | Year ended<br>March 31 <sup>st</sup> 2022 |
|---|---|---|
| i) Net Profit After Tax (A) (₹ in Lakhs)              | 1156.29                                   | 845.69                                    |
| ii) Weighted Average number of Equity Shares (B)      | 19,865,000                                | 19,865,000                                |
| iii) Face Value Per Equity Share (₹)                  | 10  | 10  |
| iv) Earning Per Share (A-B) (Rs) –<br>Basic & Diluted | 6.17                                      | 4.26                                      |

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023

### Note: - 40 Financial Instruments

In the year 2021-2022 Company has given Corporate Guarantee for availing a loan facility on behalf of M/s Archidply Décor Ltd related concern of the Company to State Bank of India (1000 Lakhs) and HDFC Bank Limited (1500 Lakhs) for the credit facilities granted by them for the purpose of principal business activity of M/s Archidply Décor Ltd. But Credit Facility has been transferred by Archidply Décor from State Bank of India to Kotak Mahindra Bank during the year therefore Corporate Guarantee has also changed from State Bank of India to Kotak Mahindra Bank.

The same was approved by board on August 11, 2021

### Note: - 41: Related Party

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged. Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

Compensation includes all employee benefits i.e. all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered to the entity. It also includes such consideration paid on behalf of a parent of the entity in respect of the entity. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Disclosure as per Ind AS 24 "Related Party Disclosures" Issued by the Institute of Chartered Accountants of India is as follows:

#### Subsidiary Company:

Archidpanel Industries Private limited (100% subsidiary from 12/02/2022)

#### Companies with significant influence:

- i) The Mysore Chip Boards Ltd
- ii) Assam Timber Products Pvt Ltd
- iii) Shree Shyam Tea Pvt Ltd
- iv) Vanraj suppliers Pvt Ltd
- v) Ravi Marketing & Services Pvt Ltd
- vi) Wartayar Veneer Industries Ltd
- vii) Archidply Décor Ltd.
- viii) Archid Panel Products

#### Key Management Personnel:

- i) Mr. Deen Dayal Daga – Chairman
- ii) Mr. Rajiv Daga – Managing Director
- iii) Mr. Shyam Daga – Non Executive Director
- iv) Mr. Mohammad Shahid Aftab - Independent Director
- v) Mrs. Shanti Varadaraj Mallar- Independent Director
- vi) Mr. Pritam Singh- Independent Director
- vii) Mr. Anil Sureka- Chief Financial Officer
- viii) Mr. Atul Krishna Pandey- Company Secretary

The Company has entered into transactions with related parties as listed below during the year under consideration. Full Disclosure has been made and the Board of Directors considers such transactions to be in normal course of business and at rates agreed between the parties. Details of transactions with related parties are as follows:



## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023

(Amount in Lakhs)

| Particulars                               | Year ended 31.03.2023 | Year ended 31.03.2022 |
|---|-----------------------|-----------------------|
| <b>Transactions with related parties:</b> |                       |                       |
| <b>Associate Companies</b>                |                       |                       |
| a) Purchase of goods                      |                       |                       |
| - Assam Timber Products Pvt. Ltd.         | 297.10                | 329.20                |
| - Archidply Decor Ltd.                    | 1.82                  | Nil                   |
| b) Royalties Received                     |                       |                       |
| - Assam Timber Products Pvt. Ltd.         | 12.20                 | 14.31                 |
| c) Lease Rent Paid                        |                       |                       |
| - The Mysore Chip boards Ltd.             | 14.36                 | 34.47                 |
| d) Rent Received                          |                       |                       |
| - Archidply Decor Ltd.                    | 1.20                  | 1.20                  |
| e) Sale of goods                          |                       |                       |
| - Archidply Decor Ltd.                    | 3.97                  | 128.54                |
| f) Interest Paid                          |                       |                       |
| - Assam Timber Products Pvt. Ltd.         | 8.87                  | Nil                   |
| - Rajiv Daga                              | 8.06                  | Nil                   |
| g) Loan Taken                             |                       |                       |
| - Assam Timber Products Pvt. Ltd.         | 220.00                | Nil                   |
| - Rajiv Daga                              | 200.00                | Nil                   |
| h) Loan Repaid                            |                       |                       |
| - Rajiv Daga                              | 200.00                | Nil                   |
| <b>Key Management Personnel</b>           |                       |                       |
| a) Remuneration to Director paid*         | 106.80                | 115.60                |
| b) Sitting fee paid                       | 4.15                  | 5.10                  |
| c) Remuneration to CFO                    | 34.95                 | 33.82                 |
| <b>Outstanding balances on date:</b>      |                       |                       |
| i) Director Remuneration Payable          | Nil                   | Nil                   |
| ii) Lease Rent                            | Nil                   | 15.63                 |
| iii) Director Gratuity                    | 84.26                 | 62.61                 |
| iv) Director Leave Encashment             | 126.28                | 128.59                |
| <b>Advance Received:</b>                  |                       |                       |
| - Archidply Décor Limited                 | 40.16                 | 9.88                  |
| <b>Loan Balance Outstanding:</b>          |                       |                       |
| - Assam Timber Products Pvt. Ltd.         | 220.00                | Nil                   |
| <b>Receivable from Related Parties</b>    |                       |                       |
| a) Receivable                             |                       |                       |
| - Assam timber Products Pvt. Ltd.         | Nil                   | 77.32                 |
| b) Other Receivable                       | 6.61                  | 11.90                 |
| (Royalty and Rent)                        |                       |                       |
| d) Lease Deposit                          |                       |                       |
| - The Mysore Chipboards Ltd.              | 27.45                 | 225.00                |
| <b>Corporate Guarantee Given</b>          |                       |                       |
| - Archidply Decor Ltd.                    | 2500.00               | 2500.00               |

\*The above Remuneration is exclusive of Leave Encashment and Gratuity as the same is provided on Actuarial Valuation done for company as a whole.

### Note: - 42 Unclaimed shares

In terms of Clause 5A of the Listing Agreement with the Stock Exchange, the Company has opened the demat suspense account and has transferred the 3225 unclaimed shares of public issue to "Archidply Industries Limited Unclaimed Shares Suspense Account." The Voting rights on these shares will remain frozen till the rightful owner claims the shares.

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023

|  | CY   | PY   |
|--|------|------|
| Opening Balance of the Shares in the DEMAT account | 3225 | 3225 |
| Closing Balance of the Shares in the DEMAT account | 3225 | 3225 |

There was no Unclaimed Dividend (P.Y. NIL) and Unclaimed Share Application money (P.Y. NIL) that need to be transferred to Investor Education and Protection Fund during the year.

### Note: - 43 Micro, Small or 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

| Particulars  | (Amount in Lakhs)           |                             |
|--|-----------------------------|-----------------------------|
|  | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
| The principal amount remaining unpaid to any supplier as at the end of each accounting year;   | 1638.15                     | 757.76                      |
| The interest due thereon remaining unpaid to any supplier as at the end of each accounting year;   | NIL                         | NIL                         |
| The amount of interest paid by the buyer under MSMED Act, 2006   | NIL                         | NIL                         |
| The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006);                            | NIL                         | NIL                         |
| The amount of interest accrued and remaining unpaid at the end of accounting year.   | NIL                         | NIL                         |
| The amount of further interest due and payable even in the succeeding year, 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. | NIL                         | NIL                         |

### Note:- 44 Quarterly Returns submitted to Banks

The company has been sanctioned working capital limits in excess of five hundred Lakhs rupees, in aggregate, from banks on the basis of security of current assets. Differences between Quarterly returns or statement filed by the company with banks and books of account are as follows:

| Quarter | As per bank return | As per books of account | Difference | %age of Differences |
|---------|--------------------|-------------------------|------------|---------------------|
| Q1      | 5,766.68           | 5,765.54                | 1.14       | 0.02%               |
| Q2      | 6,092.32           | 6,091.68                | 0.64       | 0.01%               |
| Q3      | 5,631.92           | 5,612.36                | 19.56      | 0.35%               |
| Q4      | 5,106.72           | 5,071.19                | 35.53      | 0.70%               |

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023

Note: - 45 Fair values measurements

(Amount in Lakhs)

|   | 31 <sup>st</sup> March 2023 |                  | 31 <sup>st</sup> March 2022 |                 |
|---|-----------------------------|------------------|-----------------------------|-----------------|
|   | FVOCI                       | Amortised Cost   | FVOCI                       | Amortised Cost  |
| <b>Non-current financial assets</b>       |                             |                  |                             |                 |
| (i) Investments                           | -                           | -                | 67.00                       | -               |
| (ii) Loans                                |                             | 518.20           | -                           | 8.94            |
| (iii) Other Financial Assets              | -                           | 203.04           | -                           | 447.82          |
| <b>Current financial assets</b>           |                             |                  |                             |                 |
| (i) Trade receivable                      | -                           | 9204.16          | -                           | 8180.50         |
| (ii) Cash and cash equivalents            | -                           | 245.58           | -                           | 414.41          |
| (iii) Bank balances other than above      | -                           | 149.03           | -                           | 68.61           |
| (iv) Investments                          | -                           | -                | -                           | -               |
| (v) Other current financial assets        | -                           | -                | -                           | -               |
| <b>Total Financial assets</b>             | <b>-</b>                    | <b>10,320.01</b> | <b>67.00</b>                | <b>9,120.28</b> |
| <b>Non-current financial liabilities</b>  |                             |                  |                             |                 |
| (i) Borrowings                            | -                           | -                | -                           | 2.82            |
| <b>Current financial liabilities</b>      |                             |                  |                             |                 |
| (i) Borrowings                            | -                           | 6342.64          | -                           | 5374.68         |
| (ii) Trade payables                       | -                           | 4019.43          | -                           | 3757.74         |
| (iii) Other current financial liabilities | -                           | 520.34           | -                           | 352.19          |
| <b>Total Financial liabilities</b>        | <b>-</b>                    | <b>10882.41</b>  | <b>-</b>                    | <b>9487.43</b>  |

Notes:-

- The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.
- Investment in subsidiaries are being carried at cost hence not reported.
- Finance income and finance cost by instrument category wise classification :-
  - Interest income of ₹7.86 Lakhs (P.Y. ₹9.45 Lakhs) on financial instrument at amortised cost.
  - Interest expense of ₹ 510.22 Lakhs (P.Y. ₹ 386.75 Lakhs) on borrowing at amortised cost.

### Note 46. Financial Risk Management-Objectives and Policies

The Company's financial liabilities comprise long term borrowings, short term borrowings, capital creditors, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include trade and other receivables, cash and cash equivalents, investment in subsidiaries at cost and deposits.

The Company is exposed to market risk and credit risk. The Company has a Risk management policy and its management is supported by a Risk management committee that advises on risks and the appropriate risk governance framework for the Company. The audit committee provides assurance to the Company's management that the Company's risk activities are governed by appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

#### (i) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises risk of interest rate, currency risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include FVTPL investments.

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023

### a. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company has a treasury department which monitors the foreign exchange fluctuations on the continuous basis and advises the management of any material adverse effect on the Company.

#### Foreign Currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in foreign currency exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of assets and liabilities.

| Change in Foreign Currency Rates | (Amount in Lakhs)                 |                                   |
|----------------------------------|-----------------------------------|-----------------------------------|
|                                  | Effect on Profit before Tax       |                                   |
|                                  | As on 31 <sup>st</sup> March 2023 | As on 31 <sup>st</sup> March 2022 |
| 5% USD                           | 74.40                             | 8.20                              |
| -5% USD                          | -74.40                            | -8.20                             |
| 5% EURO                          | 1.12                              | 11.89                             |
| -5% EURO                         | (1.12)                            | (11.89)                           |

### b. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

#### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

|                                    | Increase/ Decrease in basis points | Effect on Profit before Tax (Amount in Lacs) |
|------------------------------------|------------------------------------|--|
| <b>31<sup>st</sup> March, 2023</b> | +50                                | 40.18  |
|                                    | -50                                | -40.18                                       |
| <b>31<sup>st</sup> March, 2022</b> | +50                                | 26.89  |
|                                    | -50                                | -26.89                                       |

### (ii) Credit Risks

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

The Company implements a credit risk management policy under which the Company only transacts business with counterparties that have a certain level of credit worthiness based on internal assessment of the parties, financial condition, historical experience, and other factors. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company has established a credit policy under which each new customer is analysed individually for creditworthiness.

#### Trade receivables

An impairment analysis is performed at each reporting date on an individual basis for all the customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on credit losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed in Note 9 as the Company does not hold collateral as security. The Company has evaluated the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries.

Refer note no 9 for ageing of trade receivable as of 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

No significant changes in estimation techniques or assumptions were made during the reporting period.

Credit risk also arises from transactions with financial institutions, and such transactions include transactions of cash and cash equivalents, various deposits, and financial instruments such as derivative contracts. The Company manages its exposure to this

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023

credit risk by only entering into transactions with banks that have high ratings. The Company's treasury department authorizes, manages, and oversees new transactions with parties with whom the Company has no previous relationship.

Furthermore, the Company limits its exposure to credit risk of financial guarantee contracts by strictly evaluating their necessity based on internal decision making processes, such as the approval of the board of directors.

### Credit risk exposure

The carrying amount of financial assets represents the Company's maximum exposure to credit risk. The maximum exposure to credit risk as of 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 are as follows:

|                           | (Amount in Lakhs)                 |                                   |
|---------------------------|-----------------------------------|-----------------------------------|
|                           | As on 31 <sup>st</sup> March 2023 | As on 31 <sup>st</sup> March 2022 |
| <b>NON CURRENT</b>        |                                   |                                   |
| Investments In Others     | -                                 | 67.74                             |
| Loans                     | -                                 | -                                 |
| Other financial assets    | 203.03                            | 447.82                            |
| <b>CURRENT</b>            |                                   |                                   |
| Trade receivable (Net)    | 9,204.16                          | 8,180.50                          |
| Cash and cash equivalents | 245.59                            | 414.41                            |
| Other Bank balances       | 149.03                            | 68.61                             |
| Other financial assets    | -                                 | -                                 |
|                           | <b>9,801.81</b>                   | <b>9,179.09</b>                   |

### Impairment losses on financial assets

Refer the table below for reconciliation of loss allowance in respect of Trade Receivables:

|   | (Amount in Lakhs)                 |                                   |
|---|-----------------------------------|-----------------------------------|
| Trade Receivables (measured under life time excepted credit loss model) | As on 31 <sup>st</sup> March 2023 | As on 31 <sup>st</sup> March 2022 |
| Loss Allowance at the beginning of the year                             | 159.55                            | 159.55                            |
| Add/(less): Allowance provided during the year                          | (52.53)                           | -                                 |
| Loss Allowance at the end of the year                                   | 107.02                            | 159.55                            |

### (iii) Liquidity Risk

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Company relies on a mix of borrowings and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium/ long term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs. Besides, it generally has certain undrawn credit facilities which can be accessed as and when required; such credit facilities are reviewed at regular intervals. Thus, no liquidity risk is perceived at present.

### Availability of Liquidity is as follows

|  | (Amount in Lakhs)                 |                                   |
|--|-----------------------------------|-----------------------------------|
| Particulars                                    | As on 31 <sup>st</sup> March 2023 | As on 31 <sup>st</sup> March 2022 |
| Cash and Cash Equivalent                       | 245.59                            | 414.41                            |
| Availability under committed credit facilities | 3,101.80                          | -                                 |

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023

The table below summarises the maturity profile of the Company's financial liabilities based on contractual discounted payments.

(Amount in Lakhs)

| Particulars                                   | Less than 1 Year | 1-2 Years   | 2-7 Years       | Total            |
|---|------------------|-------------|-----------------|------------------|
| <b>Year ended 31<sup>st</sup> March, 2023</b> |                  |             |                 |                  |
| Borrowings                                    | 6,342.64         | -           | 1,912.80        | 8,255.44         |
| Other financial liabilities                   | 520.34           | -           | -               | 520.34           |
| Trade payables                                | 4,019.43         | -           | -               | 4,019.43         |
|   | <b>10,882.41</b> | <b>-</b>    | <b>1,912.80</b> | <b>12,795.21</b> |
| <b>Year ended 31<sup>st</sup> March, 2022</b> |                  |             |                 |                  |
| Borrowings                                    | 5,374.68         | 2.82        | -               | 5,377.50         |
| Other financial liabilities                   | 352.19           | -           | -               | 352.19           |
| Trade payables                                | 3,757.74         | -           | -               | 3,757.74         |
|   | <b>9,484.61</b>  | <b>2.82</b> | <b>-</b>        | <b>9,487.43</b>  |

### Note:- 47 Additional disclosures relating to the requirement of revised Schedule III

- (i) No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (ii) The Group has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (iii) The Group has complied with the number of layers prescribed under the Companies Act, 2013.
- (iv) There is no undisclosed income under the Income Tax Act, 1961 for the year ending 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 which needs to be recorded in the books of account.
- (v) The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.
- (vi) The borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such loans were taken.
- (vii) The below charges are pending for satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

| SL no | Charge holder name  | Date of Creation /modification | Amount       | Status                   |
|-------|---------------------|--------------------------------|--------------|--------------------------|
| 1.    | State Bank of India | 03/01/2023                     | 10,00,00,000 | Pending for satisfaction |
| 2.    | State Bank of India | 30/06/2020                     | 54,00,00,000 | Pending for satisfaction |
| 3.    | HDFC Bank Limited   | 18/04/2022                     | 52,00,00,000 | Pending for modification |

- (viii) Relationship with struck off companies

There are no transactions with strike off company u/s 248 or 560 of Companies Act, 2013.

- (ix) The Group has not entered into any scheme of arrangements which has an accounting impact on current or previous financial year.

### (x) Utilisation of Borrowed Fund & Share Premium:

- a) The Group have not advanced or loaned or invested funds to any other person(s) or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- b) The Group have not received any fund from any person(s) or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023

### xi) Ratio analysis & its elements

| Serial no. | Particulars                     | 31.03.2023 | 31.03.2022 | Deviation | Reason                |
|------------|---------------------------------|------------|------------|-----------|-----------------------|
| a)         | Debt Service Coverage Ratio     | 3.46       | 1.41       | 144.89%   | Increase in Term Loan |
| b)         | Interest service Coverage Ratio | 3.87       | 3.48       | 11.10%    | -                     |
| c)         | Debt Equity Ratio               | 0.80       | 0.58       | 36.42%    | Increase in Term Loan |
| d)         | Total Debts to Total Assets     | 0.33       | 0.27       | 23.32%    | -                     |
| e)         | Creditors Turnover Ratio        | 7.33       | 6.36       | 15.38%    | -                     |
| f)         | Debtors Turnover Ratio          | 4.85       | 4.04       | 20.05%    | -                     |
| g)         | Inventory Turnover Ratio        | 10.46      | 7.92       | 32.00%    | -                     |
| h)         | Operating Margin(%)             | 4.74%      | 5.03%      | -5.76%    | -                     |
| i)         | Net Profit Margin(%)            | 2.90%      | 2.76%      | 5.21%     | -                     |
| j)         | Return on Equity Ratio          | 12.50%     | 9.62%      | 29.96%    | Increase in Term Loan |
| k)         | Return on Capital Employed      | 11.97%     | 11.16%     | 7.29%     | -                     |

#### Note:- 48

Previous year's figures have been rearranged and/or regrouped, wherever necessary.

#### Note:- 49

The financial statements have been approved by the Audit Committee at its meeting held on 17<sup>th</sup> May, 2023 and by the Board of Directors on the same date.

On behalf of the board of directors,

#### Deen Dayal Daga

Chairman  
DIN: 00497806

#### Rajiv Daga

Managing Director  
DIN:01412917

#### Anil Sureka

Chief Financial Officer

#### Atul Krishna Pandey

Company Secretary  
M.No.: A47815

#### AS PER OUR REPORT OF EVEN DATE

**For GRV & PK**

Chartered Accountants  
Firm Reg. No. 008099S

#### Kamal Kishore

(Partner)

Membership No. 205819  
UDIN:23205819BGXZUB4106

Place: Delhi

Date: 17.05.2023

## ATTENDANCE SLIP

Only Shareholders or Proxies will be allowed to attend the meeting

Registered Folio / DP ID & Client ID :

Name and Address of the Shareholder :

Joint Holder(s) :

No. of Shares :

I / We hereby record my / our presence at the 28<sup>th</sup> Annual General Meeting of the Company being held on Thursday, the 28<sup>th</sup> September, 2023 at 11:30 a.m. at the registered office of the Company at plot no. 7, sector - 9, Integrated Industrial Estates, SIDCUL, Pant Nagar, dist. Udham Singh Nagar, Rudrapur, Uttarakhand, 263153.

Signature of Shareholder(s) 1. \_\_\_\_\_

2. \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Note:

1. Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting venue.

### ELECTRONIC VOTING PARTICULARS

| EVSN | Sequence Number |
|------|-----------------|
|------|-----------------|

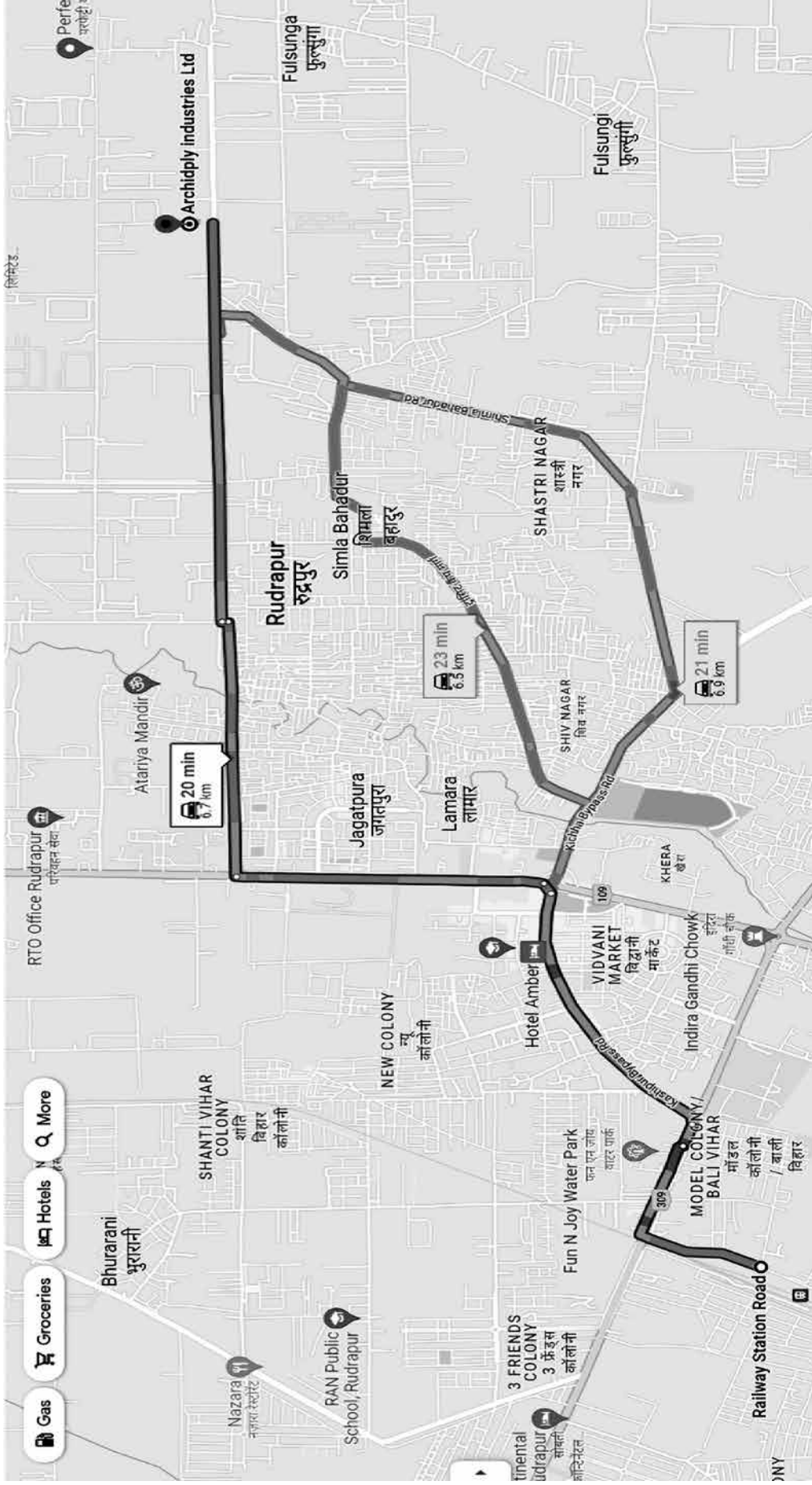
Note:

Please read the note no. 25 to the Notice of the 28<sup>th</sup> Annual General Meeting dated Thursday, 28<sup>th</sup> September, 2023, being sent herewith, in respect of the instructions for voting through electronic means. The voting period starts from 10:00 a.m. on September 25, 2023 and ends at 5:00 p.m. on 27<sup>th</sup> September, 2023.





# ROUTE MAP



## Form No. MGT-11 PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

|                              |   |
|------------------------------|---|
| CIN                          | L85110UR1995PLC008627   |
| Name of Company              | ARCHIDPLY INDUSTRIES LIMITED  |
| Registered Office            | PLOT NO. 7, SECTOR - 9, INTEGRATED INDUSTRIAL ESTATES, SIDCUL, PANT NAGAR, DIST. UDAM SINGH NAGAR, RUDRAPUR , UTTARAKHAND, 263153 |
| Name of the Member(s):       |   |
| Registered Address:          |   |
| E-mail Id:                   |   |
| Folio No./ Client Id: DP ID: |   |

I / We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint:

- 1) Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Email Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him/her
- 2) Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Email Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him/her
- 3) Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Email Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28<sup>th</sup> Annual General Meeting of the Company, to be held on Thursday, 28<sup>th</sup> September, 2023 at 11:30 a.m. at Plot no. 7, Sector - 9, Integrated Industrial Estates, SIDCUL, Pant Nagar, dist. Udam Singh Nagar, Rudrapur , Uttarakhand, 263153 and at any adjournment thereof in respect of such resolutions as are indicated below:

Signed this \_day of \_2023.

Signature of Shareholder: \_\_\_\_\_

Signature of proxy holder(s): \_\_\_\_\_

Affix  
Revenue  
Stamp

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.









**Regd. Office**

Archidply Industries Ltd

Plot No. 7. Sector - 9, Integrated Industrial Estate, SI0CUL. Pantnagar. Rudrapur,  
Udham Singh Nagar - 263153 (Uttarakhand)

Ph : 05944 - 250270, Fax : 05944 - 250269

Email : [info@archidply.com](mailto:info@archidply.com)

**Corporate Office**

Archidply Industries Ltd.

2/9. 1st Floor. W.H.S. Kirti Nagar, New Delhi - 110015 (India)

Ph : 011 - 45642555, 42852022

Email : [corporate@archidply.com](mailto:corporate@archidply.com)